

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT NEW YORK

----- X
THIRD CHURCH of CHRIST, SCIENTIST, of :
NEW YORK CITY, :

Plaintiff, :

- against - :

THE CITY OF NEW YORK and PATRICIA J. :
LANCASTER, in her official capacity as, :
Commissioner of the New York City Department :
of Buildings :

Defendants. :

07 Civ. 10962 (DAB)

**REPLY DECLARATION OF
THOMAS G. DRAPER, Jr.**

I, THOMAS G. DRAPER, Jr., pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am the Vice Chairman of the Board of Trustees of the Third Church of Christ, Scientist, of New York City (the “Church”). I make this declaration in further support of the Church’s motion for a temporary restraining order, preliminary injunction, and other relief.

The Church’s Dwindling Congregation and its Historic Building

2. The Church’s historic building, located at 583 Park Avenue, New York, New York (the “Building”) was erected in the 1920s, and has remained the congregation’s house of worship for approximately 85 years. This Building is the epicenter of the Church’s congregation. Upon information and belief, the congregation consisted of approximately 1,000 members in the 1940’s and 50’s. Over the years, its membership has declined and is currently less than one hundred members.

3. A contributing factor to the decline in membership has been the growing state of disrepair of the Building and the prohibitive costs of the necessary major capital repairs and renovations to the Building’s aging infrastructure and to bring the Building into compliance with

the New York City Building Code (the “Required Capital Repairs”). For example, the roof of the Building needed almost \$1 million in repairs. Leaks from the roof caused water damage to the auditorium walls, as well as walls and ceiling throughout the Building. The subbasement had standing water seeping in from an underground stream and had attracted mosquitoes. The malfunctioning plumbing system frequently caused flooding in the restroom and in the subbasement.

4. In May 2005, the Church engaged the engineer Joseph K. Blum to analyze the Building’s heating, ventilation and air-condition system (“HVAC”). (*See* Property Committee Report (May 17, 2005) attached as Exhibit A) The Blum engineers found that the Church’s failure to repair the HVAC, which was in violation of the NYC Building Code, was creating further damage and mounting costs. Blum recommended other safety measures, such as replacing defective low pressure condensate pumps in the Building’s sub-basement, and repairing or replacing leaking pressure valves. (*Id.*) The total costs for all of the necessary repairs totaled approximately \$50,000. (*Id.*)

5. In addition to necessary repairs, the operating costs of the Church and the daily maintenance of the Building are challenging. From 2002 to 2006, the average cost for maintaining the Building exceeded \$190,000¹, which included the cost for air conditioning, electricity, elevator maintenance, heating, building supplies, landscaping, building insurance, and salaries for the building maintenance staff and administrative personnel. This amount does not include extraordinary Building repairs, such as the \$187,733 spent in 2002 to temporarily fix the leaking roof, \$74,690 spent in 2005 to repair the HVAC system, and other miscellaneous but

¹ All financial figures reported herein are based upon information supplied to me by the Church Treasurer and are based upon the Church’s audited financial statements and contemporaneously maintained financial journals and records.

costly repairs for the Building's exterior, plumbing and electrical systems. Were it not for the Rose Group's overhaul of the Building beginning in 2006, general operating costs and extraordinary repair costs would have grown exponentially over the future years, and would likely have far exceeded \$200,000 per year to maintain the Building.

6. In addition to Building upkeep and repairs, the Church was also confronted with general operating costs consisting of outside accounting costs, insurance (employment, property, etc.), employee salaries, salaries for Readers, required contributions to other Christian Science organizations and programs, lecturer's fees, organist and organ repair and upkeep, and office supplies. In addition, the Christian Science reading room which the Church maintains at a location on 147 East 62nd Street between Lexington and 3rd Avenue, an integral aspect of our outreach, costs an average of \$100,000 per year to operate, which includes rent, merchandise, office supplies, utilities, and salaries for the librarian and custodian.

7. The Church's income was not keeping up with these mounting operational and extraordinary expenses. Its income generally consisted of the voluntary collection at our Sunday services, mail-in contributions from members, a grant from a charitable foundation, sales of materials from our reading room, income from past investments (*e.g.*, accrued dividends), and income from leasing out the Building's roof space for a cell phone tower (average of \$30,000 per year). In addition, the Church intermittently received bequests from its members. It was not possible, however, to rely on bequests as a sustainable source of operating income.

8. From 2002-2005, excluding bequests which occurred in 2004 and 2005, the Church consistently operated at a substantial deficit. As the Church headed into 2006, given the financial circumstances and the inability responsibly to rely on bequests as a source of operating revenue going forward, the Church foresaw a future of continued deficits that it did not have a

way to fund. Entering into the lease with the Rose Group was the best solution we found to our financial problems. Our financial results for 2006 confirmed expectations. With the income from the lease, the Church's income exceeded its operating expenses. If we were to assume that the lease with the Rose Group was not entered into (e.g., not count income or expenses associated with the Lease), and further assume that the Church instead continued to receive income from a lease with Geneva School, the Church would have continued to operate at a deficit in 2006.

**The Church Has Sought Different Ways to Supplement
Its Income for the Past Several Years with Little Success**

9. Throughout the years, the Church actively pursued ways to balance its budget and to remain in its historic home. The Church explored low-cost loans from the Historic Properties Fund (administered by the New York Landmarks Conservancy), as well as government and private foundation grants. We also considered taking out a mortgage on the Building, but, as I explained in my original declaration, that was not feasible.

10. Upon information and belief, the Church had several discussions with other religious institutions about possibly sharing space in the Building, but none of these organizations was interested in sharing the burden of funding the Required Capital Repairs.

11. The Church considered numerous other options, including:

- Mounting a capital campaign;
- Selling air rights over the Building;
- Engaging architects to subdivide the space in the Building and leasing out portions of the space to third-parties;
- Selling the Building outright; and
- Working with a developer to convert the property into a church/luxury apartment property.

12. These options were seriously considered. In exploring these alternatives, the Church invested substantial amounts of money to retain various experts, such as leasing agents, architects, and engineers to explore ways to creatively use the Building – the Church’s most valuable asset. For example:

- On May 16, 2000, the membership voted to spend \$999 to engage an engineer to explore ways of partitioning the Building for possible leasing options;
- On September 26, 2000, the Church spent \$1,000 for an engineer to determine whether the Church’s Christian Science Reading Room could be moved into the Building’s auditorium, thereby saving the costs of having to rent space for the separate Reading Room facility on 62nd Street;
- On January 20, 2001, the members authorized the cost for the reading room feasibility study to be increased to \$10,000;
- On May 15, 2001, the membership authorized the Leasing Committee to receive a budget of \$3,000 to pay for brochures, listings and legal fees associated with renting out the Building’s auditorium space to day renters; and,
- On June 12, 2001, our members authorized an expenditure of up to \$10,000 to engage qualified professionals to ascertain the true value of the Building and to advise the Church how to proceed in generating rental income.

13. Faced with mounting repair costs, and unable to find any way of supplementing its diminishing income, in 2003, the Church’s membership voted to authorize a sale of the Building. In April 2004, the Board considered three unsolicited offers to purchase the Building for \$20-30 million, in addition to other proposals to lease the auditorium. However, several other Christian Science groups voiced concern over the potential sale of the Building and offered to provide financial assistance to save the Church. In fact, a neighboring Christian Science Church provided us with a donation of \$50,000 in order to assist with building repair costs. The Church membership changed its decision, and decided not to sell the Building.

Geneva School

14. The largest tenant in the Building prior to the Rose Group was the Geneva School of Manhattan, a private, not-for-profit Christian school focusing on classical education for grades K-12. I am informed that its elementary and middle schools are now located at the Calvary Baptist Church, 123 West 57th Street, New York, New York.

15. From 1999 to 2006, the Church leased the basement of the Building to the Geneva School five days a week.

16. The rental income generated by the Geneva School was not sufficient to balance the budget. In fact, in order to make the Building available for rent, the Church incurred substantial repair costs, including for removing asbestos, repairing the plumbing, and making other improvements in the rented basement space. In 2000, the Geneva School reported the presence of mosquitoes caused by the existence of “standing water” in the Building’s sub-basement. The Church’s engineering firm, Joseph K. Blum, investigated the cause of the leak, finding that it would cost approximately \$35,000 to repair several leaks in the sub-basement from deteriorating equipment. (*See* 4/8/00 email, attached as Exhibit B)

17. Without making several costly repairs, however, the Building would not have been in suitable condition to rent to anyone. Thus, any earned rental income from the Geneva School or other tenants was offset by the mounting repair costs that the Church had to bear as a landlord. (*See, e.g.,* Exhibit C, invoices for repairs for Geneva School, correspondence re: repairs from Geneva School)

18. As the foregoing makes clear, the Church has strived for many years to meet the mounting costs of maintaining the Building. As the Church’s financial Reserves diminished, the Church was confronted either with selling the Building or allowing it to fall further into a state of disrepair.

The Lease Arrangement with the Rose Group Saved the Church

19. The Lease is highly beneficial for the Church and protects its interests. It permits the Church to continue owning the Building and using it substantially to the same extent it did in the past, while accomplishing much needed building repairs and ongoing relief from many operating expenses. (Lease ¶ 5.2-5.6) The Church especially benefits from these improvements because it has the use of the improved edifice and will continue to own the improved Building.

20. The fairness of the Lease was affirmed by the third-party appraiser, The Staubach Company, retained by the Church to evaluate the Lease in May 2006. The appraiser concluded that the lease is fair for the Church when compared to agreements with restaurants and catering facilities in various Manhattan markets. (A copy of the appraisal is attached as Exhibit D.) Specifically, it found that the

Church's lease is unique because the Church has the continued use of the premises for all of its current needs. ***This is atypical in the market and is viewed as extremely favorable for the Church.***

(*Id.*, emphasis added) This is especially beneficial in that the Church may continue to use the Building without the overhead expenses associated with the Building. (*Id.*)

21. The appraiser assessed the fairness of the Lease by comparing it to similar arrangements with other institutions. The first two institutions selected by the appraiser as "comparable transactions" included the Park Avenue Synagogue's lease agreement with the caterer Neuman and Leventhal Caterers, Inc. for \$150,000 annual rent, and the Park Avenue East Synagogue's lease agreement with that same caterer for \$80,000 annual rent. (*Id.*)

22. Contrary to the City's assertions, the Required Capital Repairs, for which the "hard costs" (actual construction costs) exceeded \$6.5 million, were not simply to convert the Building so that it could be used as a catering facility. (See Brennan Decl. ¶ 122, claiming the Required Capital Repairs "so that the Rose Group can run its catering business, plaintiff

disingenuously transforms those expenditures into something entirely different.”) Most of the structural improvements provided in the Lease were either dictated by the need to bring the Building into a state of good repair, to comply with applicable building, safety and health laws, or to provide improvements that benefited both the Church and the Rose Group.

23. The repairs and renovations contemplated by the Lease include:

- Upgrading the Building’s electrical service;
- New HVAC;
- Repair the Building’s roof (cost to be repaid with interest only from percentage rent capped at \$50,000 per annum);
- New or upgraded elevator;
- New rest rooms and building entrances that will comply with disability laws;
- Renovated entrance on 63rd Street, which will include an entrance ramp, a rebuilt external elevator between the cellar and 63rd Street to haul trash, and new ADA-compliant doors to the Auditorium;
- Reconfiguration of space so that there will be direct access from the back corridor of the Building to the podium in the auditorium;
- Subject to approval from the Landmark Commission, a new digital sign on the 63rd Street side entrance that will advertise the Church’s services and activities;
- Creation of a new room in the basement for the Church’s child care and Sunday School room and office. The Sunday School room is being finished with new, high-quality and very durable cork flooring and heavy-duty doors that permit sealing off the Sunday School from the Auditorium;
- Cosmetic refurbishment of the auditorium (level the floor, new high quality carpeting, repainting, plaster repair);
- Cosmetic refurbishment of other areas, such as the board room, the storage areas, the 4th floor hallway, and other portions of the Building;
- Removal of all visible but abandoned wiring and conduits;
- New sound and communications systems;

- A custom cover for the organ pit for the Church's organ; and
- Installation of a fully equipped kitchen;

(Lease ¶ 5.3-5.4, 35.4)

24. A working kitchen, which will be added to the Building (Lease ¶ 5.3), is present in many churches and synagogues today. A kitchen gives the Church the flexibility to host lunch or dinner meetings or post-service receptions, and facilitates day-long workshops.

25. All of these repairs and renovations are nearly completed with the exception of the major roof repair, which includes a very expensive replacement of the slate roofing shingles that has been delayed due to a combination of the expense, the winter weather and the necessity of obtaining the approval of the Landmarks Preservation Commission for the contemplated work. It is anticipated that the roof work will commence in the summer of 2008 and will proceed at the pace permitted by the financial resources of the Rose Group. In the meantime, the roof is substantially watertight, and work on the building systems and the interior of the Building is almost (95%) complete as of today.

26. In addition to receiving these needed repairs, the Church also enjoys a substantial income stream from the Rose Group, which pays the Church an annual base rent (with gradual increases), starting at \$250,000 and escalating to \$519,732 (in the 16th year of the Lease). (*Id.* ¶ 3.1) In addition, the Church will receive percentage rent equal to 10% of the amount by which the Rose Group's net gross proceeds exceeds 10 times the base rent. (*Id.* ¶ 3.4A) If, for example, the Rose Group realizes net gross proceeds of \$6.5 million in 2008 (an amount \$4 million in excess of 10 times the base rent), the Church would receive 10% of that amount – *i.e.*, an additional \$400,000 of rent from the Rose Group (although this amount would be reduced by \$50,000 per annum until the \$650,000 cost of replacing the roof is repaid).

27. Because the financial terms of the Lease are similar to a “triple-net” lease (in which the tenant assumes all responsibility for the maintenance of the leased property), the Rose Group shoulders the burden of the Building’s operating costs and utilities, such as heat, water, electric, gas, insurance, garbage disposal, and sewage. (Lease ¶ 5.9)

28. The City claims that, by successfully negotiating so that the Rose Group, rather than the Church, would be responsible for paying the ongoing costs of operating the Building, the Church effectively assigned away its ownership interest in the Building. (Brennan Decl. ¶ 19) This conclusion is not supported by the facts. The Church was pleased to be able to retain ownership and the ongoing predominant use of its home while at the same time being relieved of these ever-mounting operating costs. The shifting of expenses to the Rose Group says nothing about the Building’s primary use. Unlike in a traditional commercial lease, the Church retains extensive rights, significantly in excess of the Rose Group, to continue to use the building for our religious activities. (Lease ¶ 35.1.)

29. Finally, as an added benefit, the Lease requires the Rose Group to sponsor twenty Church events at strictly cost. (Lease, 2d Am. ¶ 2) This will allow a format for Church activities in the Building that will be welcoming to participants and that were previously impractical.

30. The Lease has made the Church’s finances more stable now than they were just two years ago when, having experienced years of operating deficits and anticipating operating and capital improvement deficits going forward, there did not appear to be any way to continue to maintain and occupy the Building. As a result of the Lease, instead of being forced to sell the Building, the congregation now has had its historic home largely rebuilt, which it owns outright and will be able to enjoy for decades to come.

31. Until we encountered the unexpected opposition from some of our neighbors and the apparent inability to find an amicable solution, the Church was grateful that it had finally found a way that permitted us to restore the Building, the congregation's home of the past 85 years, and to have a structural and economic base for the Church for the next 20-30 years.

**The Church's Religious Use of the Building is the Primary Use;
the Rose Group's Catering Activities Are Intermittent and Secondary**

The Lease Makes Clear That the Church Is the Primary Occupant

32. The Lease explicitly provides that the Church remains the primary occupant of the Building – the party that owns and controls the Building. The Rose Group's catering use is subordinate and intermittent compared to the Church's primary use.

33. The express purpose of the Lease is to supplement the Church's income: "[The Church] is desirous of leasing the Premises *during those times when there are no scheduled Church services or Church related activities* . . . in order to generate income that can be used to maintain the Building and to support the Church activities." See "Whereas" provision, Lease, at 1 (emphasis added); *see also* Lease, at ¶ 35.1 (the Rose Group "acknowledges and agrees that during the term of this Lease and any renewal thereof, [the Church] shall continue to use and occupy the Premises for the conduct of church services and other church related activities").

34. The Lease identifies many of the Church's services and activities which may not be disturbed or impeded by the tenant during the Lease term, including:

- Sunday Church Services and Sunday School Services (from 7:00 a.m. until 1 p.m.), and Wednesday evening services (5:30 p.m. until 9:00 p.m.);
- Services for Christmas Eve and Thanksgiving;
- Association Meetings (requiring use of the entire Building from 7:00 a.m. to 7:00 p.m., four Saturdays during each calendar year);
- Church Classes (four weeks total, 9:00 a.m. to 5:00 p.m., Monday through Sunday);

- Church Corporate or Organizational Meetings; and
- Occasional non-regularly scheduled events, association meetings, classes and special meetings of the Church that will be scheduled from time to time at times mutually agreed upon by the Church and Rose Group.

(Lease ¶ 35.1)

35. The Lease requires that these times be reserved exclusively for the use of the Church. The Rose Group “must respect [the Church’s] privacy during all Church related activities. [The Rose Group] agrees that it shall not enter any portion of the Premises or the Building[.]” (*Id.* ¶ 35.5) Indeed, failure to respect the Church’s privacy during its services or meetings amounts to a “serious and material default under this lease” and may entitle the Church to injunctive relief. (*Id.* ¶ 35.6)

36. Further, it is the Rose Group’s responsibility to set up the Building for Church services (twice a week), and other Church activities and events (at least once or twice a month), including setting up at least 100 chairs and the podium, turning on the lights and HVAC system, removing the protective covering from the organ pit, and setting up the Sunday School room. (*Id.* ¶ 35.2) Promptly after the Church activity is concluded, the Rose Group must turn off the lights and the HVAC system, and cover the organ pit. (*Id.*)

37. The City argues that the Lease carves out only a limited area of the Building for the conduct of Church services and church related activities, while the Rose Group is granted carte blanche over the entire Building. (Brennan Decl. ¶ 26, 30) The opposite is true. The Church has exclusive use of the Building’s Church office, the two reader rooms, the Board Room, the organist room, a new literature distribution/committee room, the 4th floor storage area, the treasurer’s office, the new Sunday school office and nursery. (Lease ¶ 9.1) The remaining space is shared, and only two rooms in the fourth floor, the kitchen and some storage area in the basement are exclusively reserved for the Rose Group. (*Id.*)

38. Upon information and belief, the square footage of the Building's spaces are as follows:

BUILDING'S SQUARE FOOTAGE ALLOCATION

FIFTH FLOOR:

Organ Echo Chamber	220	Church Space
Additional Space	352	Shared Space
Landing	56	Shared Space
Maintenance Room	<u>25</u>	Shared Space
	653	

FOURTH FLOOR:

Literature Distribution	950	Rose Space
Attic 1	1100	Rose Space
Attic 2	1071	Church Space
Boardroom	418	Shared Space ²
Church Office	330	Church Space
Hallway	176	Shared Space
Bathrooms	<u>140</u>	Shared Space
	4158	

THIRD FLOOR:

First Reader's Room	194	Church Space
Organ Chamber	<u>416</u>	Church Space

SECOND FLOOR:

Second Reader's Room	145	Church Space
Organ Chamber	416	Church Space
Left Balcony	1249	Shared Space
Center Balcony	931	Shared Space
Right Balcony	1123	Shared Space
Landings & Closets	<u>164</u>	Shared Space
	4028	

MEZZANINE

Maintenance Office	156	Shared Space
Closet and Landing (Between Basement & 1 st Floor)	87	Shared Space
Organist Office (Between 1 st & 2 nd Floor)	<u>171</u>	Church Space
	414	

² Note that, pursuant to the Lease, the Boardroom is reserved exclusively for the Church's use. (Lease Article ¶ 9.1). This room is used exclusively for Church purposes, although the Rose Group may ask for permission to use this space if necessary.

GROUND FLOOR:

Auditorium	5998	Shared Space
Lobby	1080	Shared Space
Clerk's Office	194	Shared Space
Sitting – Mail Box area	56	Shared Space
63 rd Street Foyer	96	Shared Space
Back Hallway	264	Shared Space
Organ Chamber	416	Church Space
	8104	

BASEMENT:

Kitchen/storage	1408	Rose Space
Sunday School Office (approx)	204	Church Space
Nursery (approx)	204	Church Space
Remaining space	<u>7399</u>	Shared Space
	9215	

SUB-BASEMENT:

Garbage/Storage	680	Rose Space
AT&T	160	Church Space (May go to roof)
Organ	130	Church Space
Nextel	182	Church Space
Remaining Space	<u>3072</u>	Shared Space
	4224	

(See Ex. C, Staubach Report, Ex. A)

39. Of the total 13,391 square feet available in the Building, the Rose Group has exclusive use of 4,138 square feet. The Church has the exclusive right or the shared right to the other 9,253 square feet, 69% of the Building.

40. Moreover, it is the catering use, and not the Church use, that must be concealed the majority of the time. The Lease requires that any catering items stored by the Rose Group must be “stored along the walls and appropriately covered and screened from sight” during the bi-weekly Church Services and other Church events. (Lease ¶ 35.2.)

In Practice, the Church Is the Dominant User of the Building

41. In 2007, the Rose Group held 45 events at the Building. (A list of these events is attached as Exhibit E) Upon information and belief, based on communications with Louis Rose

at the Rose Group, I understand that an event lasts typically 4.5 hours. In addition, setting up the venue takes approximately two hours, and it takes one hour to clean up the Building to restore it to its primary Church use. Also, setting up for the catering event frequently occurs in the kitchen behind walls, so this does not interfere with Church activities. With 45 events, this equals 28 hours per month set aside for catering events. Under the 125 catered events that this Court's temporary restraining order currently permits, setting up and hosting such activities would consume approximately 78 hours per month.

42. In contrast to the Rose Group's 45 events in 2007, and up to 125 events in 2008, the Church conducts numerous religious services per year (Wednesday and Sunday service), and Christian Science meetings, lectures, workshops, and special events. The following chart sets forth certain Church services, activities, workshops, meetings and other events that currently are planned for 2008, the frequency of these events, and the minimum hours of property use that these events would require.

<u>Activity</u>	<u>Frequency per year</u>	<u>Hours per year</u>	<u>Notes</u>
Sunday Church Services	52	260	8:00AM-1:00 PM
Sunday School (basement space)	52		Same hours as Sunday service
Wednesday Testimony Meeting	52	182	5:30-9:00 PM
Christmas Eve Lecture	1	4	6-10 PM
Thanksgiving Service	1	5	8 AM-1 PM
Christian Science Lectures and Prep meetings	2	9	6:00-10:30 PM (2 scheduled in 2008 – 4/28, 9/15, in addition to the Christmas Eve lecture)
Christian Science Association Meetings	2	20	7 AM-5PM; (2 scheduled in 2008 – 8/16 and 11/1); 10 hours for event.

<u>Activity</u>	<u>Frequency per year</u>	<u>Hours per year</u>	<u>Notes</u>
Christian Scientist Class Instruction	10	120	7:30 AM-7 PM (1 class series scheduled in 2008, 8/4-8/15)
Branch Committee Meetings	104	780	Several times per week; 15-20 hours/week
Third Church Trustee Meetings	18	99	5:30-11PM; 1 or 2/month
Corporate Meetings of Membership	4	20	Full day Saturday; (4 scheduled in 2008); lasts 4-6 hours
Readers Rehearsals	156	364	3/week (3-4 hours/week) Once during Sunday
Soloist Rehearsals	52	130	1/week; 2-3 hours/week
Organist Rehearsals	104		2/week (during Sunday and Wednesday services)
Piano Rehearsals	52	78	1/week; 1-2 hours/week
Tri-State Christian Scientist Committee Meetings and Special Meetings, and providing administrative support for tri-state Christian Scientist activities (bookmobile, meetings, etc.)	1	20	1 or 2/year; can cover two-four days each year; meetings generally in the evenings or on Saturdays
Special Workshops	1	5	From ½ day to several days, from once to a few times per year. Workshops can be relatively intimate or a couple hundred people
Youth Forum activities (see: www.TMCYouth.com)	4	48	2 scheduled in 2008: 5/24-25, and 10/18-19
TOTALS	668	2144	

43. Services, meetings workshops, classes, and rehearsals, on average, total 668 religious events per year, 2144 hours per year, or approximately 180 hours per month.

44. In addition to these set activities, the Building is the hub of the Church's administrative office, from where the Church manages all of its various activities, such as the

reading room program, Spanish-language outreach program, bookmobile, coordination of tri-state Christian Science activities, and various lectures and workshops. For these purposes, the Church is open six to seven days a week where its clerk/treasurer is actively performing these Church-related functions (and such hours of use are *not* reflected in the chart above).

45. The Church services, meetings, activities, and workshops scheduled for 2008 are slightly more extensive than the activities and workshops scheduled in previous years, although most such activities have been conducted in prior years. For example, all Sunday and Wednesday services are mandated by the Manual of The Mother Church, and have always been held on these dates. Committee meetings, trustee meetings, Sunday School, Christian Science lectures, rehearsals, and other listed activities and events have also regularly occurred at the Church over the years.

46. The Church also encourages the use of the Building's auditorium as a place for quiet prayer or the reading of Christian Science literature made available on tables in the Foyer and elsewhere, and as an informal gathering place between visitors and active members. Like many active religious institutions, the Church is available to any congregant or member of the community seeking a place for meditation or prayer.

As a Result of the Rose Group's Capital Infusion, the Church is Poised to Expand

47. Since the initiation of the Rose Group project, the Church has attracted several new members, which is more than in any previous year within the past fifteen years (during which the Church received an average of one new member a year). It also has recently seen more visitors on a fairly steady basis. Visiting Christian Science Lecturers and other high profile visitors have expressed appreciation for the refurbished edifice, and several members of neighboring Christian Science Churches, New York, have praised the renovations.

48. As a result of the new economic foundation generated by the Rose Group project, the Church will now be able to pursue a growth strategy. In addition to additional Sunday and Wednesday services, the Church is planning various religious workshops. It now has money to host more Christian Science lectures, and three are already planned for 2008. Lectures typically draw attendance in the range of 300-500 guests.

49. The Church is also conducting a Spanish-language outreach program for the greater New York area, a Sunday School Workshop, and a Christian Science Youth Conference, which could draw over 200 attendees in the age range of 12-30. In fact, all of the Youth Conference Meetings will be catered by the Rose Group for the Church “at cost,” which is a tremendous benefit under the Lease.

The Building’s Primary Identity Remains a House of Worship

50. The City makes much of the fact that the Rose Group allegedly conceals the true identity of the Building as a Church in its advertisements for catering events. (Brennan Decl. ¶ 8) It notes that, for example, pews of the Church have been removed (*Id.* ¶ 15) and the signs advertising the Church’s Sunday School and Services may be removed when the Rose Group is using or actively marketing the Building for a third-party function. (*Id.* ¶ 18, citing to Lease ¶ 5.3)

51. There is, however, nothing inherently religious about having pews inside a house of worship. Indeed, the flexible seating arrangements we can now make suit our congregation very well.

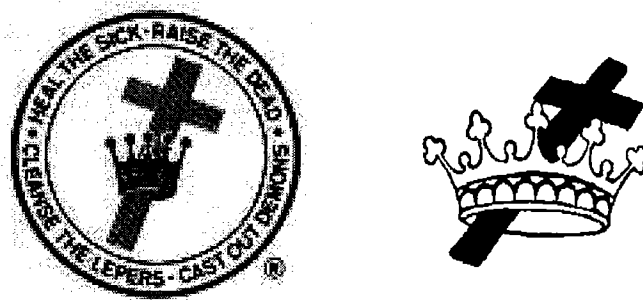
52. Three signs on the Building’s façade have been concealed pursuant to the City’s Landmarks Preservation Commission’s approval. (*See* Exhibit F, “Permit for Minor Work” Docket # 072909 (Sept. 21, 2007)) One of the covered sign was high on the Building’s pediment near the roof, and could only be seen from across the street. (*See* Exhibit G) The two engraved

signs on either side of the entrance were old and worn; they have been covered over – again, with the approval of the Landmark Commission – and now include simply the building’s address and the symbol of a crown; directly under one of the two signs is Church’s illuminated sign that sets forth its schedule of Christian Science services. (See attached photographs as Exhibit H).

53. The two new signs display a crown logo and the building’s street address:



54. The Crown has long been a symbol associated with the Church; indeed, there is a crown prominently displayed in the auditorium of the Church which has been there for years. This symbol is associated by the Church’s members as a symbol of the Third Church congregation, and of the Christian Science faith. The image of the crown that now adorns the exterior façade of Church, and which the Rose Group has adopted for its own marketing purposes, is inspired by the common Christian Science image, the “Cross and Crown”:



55. The Church’s membership approved these alterations to the three external signs (which are not permanent) because signs that were neutral would better reflect the Building’s shared use under the Lease. We did, however, negotiate to improve the two street-level signs that exist (one facing Park Avenue, the other facing 63rd street) because these signs advertise the

Church's services to members of the Community. While the plans to modernize these signs are on hold, they remain illuminated and clearly visible to the general public, except on those occasions when there is a catered event being held in the Building. During such times, these illuminated signs simply show "583 Park Avenue" Crown logo. The other street-level sign on 63rd Street is not altered because guests attending catered events do not use that entrance.

56. As a sign of the Rose Group's sensitivity to the Church's desire to increase its membership, though the Lease provides them with the right to cover these street-level signs when they are conducting marketing activities, I am informed that they rarely do so. Rather, as I have noted, these signs are typically not covered unless a catering event is occurring. (*See* attached photographs as Exhibit I)

57. The City further complains that the Lease requires the parties to agree on the location and design of the literature distribution box on the 63rd side of the Building. (Brennan ¶ 22; Lease ¶ 9.1) The literature distribution box advertising the Church's faith and programs, however, has not changed its location or appearance since the Rose Group began its catering activities. (*See* attached photograph as Exhibit J)

58. Finally, the City argues that the catered events conducted by the Rose Group have no connection with the religious mission of Christian Science because alcohol may be consumed at such events. (Def. Br. at 19) Christian Science does teach that any use of alcohol is an abuse. Although the Christian Science faith seeks to free men and women from the false attraction of alcohol and tobacco, the faith also believes in the Golden Rule: "just as they would not want impositions placed on their practice of Christian Science, they do not impose restrictions or Christian Science rules on others." (Draper Decl. Ex. D at ¶ 3)

59. It was not easy to find a tenant that would utilize productively the full capacity of the Building only at times that the Church was not using the Building. We did not consider it feasible or necessary to find a tenant that would embrace fully all of the teachings of the Church. We could not and did not desire to devote the energy and resources of our membership to selectively leasing the Building for individual events. In response to a unique opportunity, the Church decided to enter into a lease with a third party that would operate catered events and generate income. The energy and resources of our membership would continue to focus on practicing and preaching the Christian Science faith. From the City's point of view, there is no practical distinction between the Church hiring a staff and hosting its own catered events for fundraising purposes (as many institutions around the City apparently do), or whether it simply contracted, as we did, with a third party to do the same. The resulting impact on the City is no different.

60. The Church does not insist that the catered events on its premises be reserved solely for members or hosted by members. It does not matter to the Church who attends the event – the Church is open to the general public, and we welcome all visitors. Moreover, because our congregation is small, it makes no sense to limit events at the Church to members only. Indeed, to insist that religious or non-profit institutions may earn income only from member-sponsored events would discriminate against religious organizations, such as the Church, with small memberships.

61. Indeed, the City attempts to distinguish well-established institutions that host catering events based on the fact that those institutions (such as the Council on Foreign Relations, the Union Club, the Asia Society) enjoy membership in the thousands, compared to the Church's far smaller congregation. The City then concludes that, unlike these other

institutions, the Church does not actively use its Building for its primary religious purpose. (Brennan Decl. ¶ 104) The City's attempt to equate these two different types of membership is puzzling. Plainly, membership in a museum or club is different from being a member of a devout religious organization. Membership for several of these institutions simply requires a monetary donation, ranging from \$5,000-\$10,000 for corporate membership for the Cooper-Hewitt Museum to \$35,000 for the Frick. (*Id.* at ¶ 96, 100) By contrast, membership in the Church cannot be bought; instead, it requires a lengthy and heart-felt conversion to the Christian Science faith. And it bears repeating that a main reason to enter into this Lease and allow catered events was to restore the Building so that the Church can grow its congregation.

Rose Group Events Are Not Disruptive to the Church or the Community

62. The Rose Group's catering activities have not disrupted the Church's services or activities in any way. If anything, its capital contributions have only enhanced the Church's ability to provide services and activities to its congregation.

63. The Rose Group's activities are comparatively modest and well managed. The City cites to a LocationsMagazine.com article that incorrectly states that the "building was available seven days a week with a capacity of 2,500 for a cocktail reception (in the January 18, 2007 advertisement) and a capacity for 1,000 for a cocktail reception (in the March 12, 2007)." (Brennan Decl. ¶ 54) I believe the capacity of the *entire* Building is only approximately 2,000 people. And, in fact, the catered events in 2007 were attended by an average of 447 guests. (Ex. E) Only two events had more than 1,000 attendees, and two-thirds of the events had fewer than 447 guests. Moreover, no catered events may be held on any Wednesday after 5:30 PM, or on any Sunday before 1:00 P.M.

64. Further, the catering activities have not disrupted the neighborhood. As discussed previously, the Rose Group takes exceptional care in minimizing the impact on the surrounding

neighborhood, such as by disposing of garbage and hiring security officers to direct traffic. (Draper Decl. ¶ 25-30) There have not been any verified complaints of noise or disruptions. For example, the New York City Police Department has confirmed that while there were approximately 26 “311” “quality of life” complaints received from June through December 2007 concerning events at the Building, “[i]n each such case, by the time an officer arrived at the location there either appeared to be no basis for the complaint or the situation giving rise to the complaint had already ended.” The letter further observed that, during this time period, the 19th Precinct has “never issued any summonses or otherwise taken any action against the Rose Group or anyone else responsible for events held at 583 Park Avenue.” (A copy of this correspondence is attached as Exhibit K)

The Church Will Suffer Immediate and Irreparable Injury

The City Misreads the Lease by Claiming That the Church Will Suffer No Adverse Consequences if the Rose Group is not Permitted To Host Catering Events

65. The City argues that the Second Amendment to the Lease is unenforceable, and therefore apparently contends that the Rose Group has no recourse – other than perhaps litigation against the Church – to recover the millions of dollars it has expended on capital improvements. (Brennan Decl. ¶ 31). But the Church knowingly and voluntarily entered into the Second Amendment and one cannot fairly interpret the Lease without considering its terms.

66. The Second Amendment was validly negotiated, entered into, and supported by valuable consideration; as such, it is enforceable. The Second Amendment, dated March 27, 2007, was motivated by the fact that on March 12, 2007, Phyllis H. Weisberg, attorney for certain Park Avenue residents in two neighboring buildings, requested that the DOB revoke all permits and approvals issued to the Rose Group. (*Id.* ¶ 50) This was well after the construction work had begun pursuant to the Lease. While the Church reasonably believed at that time that

the DOB would adhere to its previous decision, which was fully justified and reasonable, to issue the pre-consideration approval for the accessory use permit, that provocative letter from counsel for the Church's neighbors introduced an element of uncertainty. Accordingly, the Church wanted to ensure that the alterations described in the Lease would be completed and that all necessary steps would be taken to maintain the accessory use permit or another form of permit that would allow continued use of the Building as contemplated by the Lease.

67. Based on our conversations with the Rose Group, we understand that the Second Amendment was necessary in order to secure additional financing to complete the substantial capital improvements to the Building. No investor would be willing to invest millions of dollars in the Rose Group if the ultimate purpose of this project – hosting catering events at the Building – was arbitrarily terminated by the City. The Rose Group, and its investors, needed to be assured that it could recoup its multi-million dollar investment.

68. Accordingly, the Second Amendment provides, in essence, that if the Rose Group and the Church were unable to use the premises for the use permitted under the Lease and certain other conditions were satisfied, then the Church would use its best efforts to make a “disposition” of the premises mutually acceptable to the Church and the Rose Group, so as to generate sufficient proceeds to pay to the Rose Group the expenses which it would incur to make further improvements to the Building from and after the date of the Second Amendment. That “disposition” could take any one of several different forms, such as a further subleasing of the premises, termination of the existing Rose Group lease and the execution of a new lease with a third party, a mortgage of the Building or an outright sale of the Building to a third party.

69. The Church did not enter into the Second Amendment lightly. The decision whether to enter into that amendment was the subject of a special corporate meeting of the

Church held on Monday, March 26, 2007. At that meeting, both the first and second amendments to the Lease were approved by the members of the congregation. (A copy of the minutes of that special corporate meeting is attached as Exhibit L). The congregation knowingly and intelligently entered into these amendments, knowing that the revenue from the lease with the Rose Group was its best chance of saving the Building, and that such an alteration to the Lease was necessary and reasonable in order to complete the renovations contemplated by the Lease.

70. Apparently, the City has suggested that the Second Amendment is not enforceable because it was not submitted to the state court for approval. We have been advised that there was no such requirement. (*See* G. Saver Letter (Feb. 20, 2008), attached as Exhibit M).

71. Assuming *arguendo* that the events that would trigger a disposition of the Building under the Second Amendment occurred (*i.e.*, the revocation of approval for the conduct of catered events), and further assuming that the Church were to take the position that the Second Amendment were not enforceable, under the original Lease, the Church would still be required to reimburse the Rose Group for the costs for repairing the roof that has thus far been incurred. (Lease ¶ 5.2, 5.4, the roof repairs are estimated to cost at least \$650,000). More importantly, if the catering activities were prohibited, the Church would lose its primary source of operating revenue (and it well might also face the uncertainty and expense of litigation with the Rose Group regarding the enforceability of the Second Amendment). In either or both events, the Church would again be in the position of not being able to sustain the ongoing costs of operating

the Building (just as it could not afford these costs two years ago), and would likely be forced to sell the Building and embark on the effort to find a new home.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 22, 2008.


THOMAS G. DRAPER, Jr.

Madame President and Fellow Members:

We are all familiar with the paragraph in the *Manual of The Mother Church*:

"God's Requirement. SECT. 5. God requires wisdom, economy, and brotherly love to characterize all the proceedings of the members of The Mother Church, The First Church of Christ, Scientist."

We *will* need to exemplify wisdom, economy, and brotherly love when it comes to prayerfully considering and voting on motions being presented at the end of this report.

First, I'll start with a little good news regarding the roof. There is no need for any immediate action on completing the repairs of the roof. In all heavy rains since the last Corporate Meeting, there have been no visible water leaks. Consistently there's a little dampness on the ceiling in one spot, but no drops of water have reached the floor below.

The other news is regarding needed repairs and changes to the heating, ventilating and air-conditioning system which I'll refer to as HVAC. We recently completed repairs to the air-conditioning equipment serving the auditorium and it is fully functional once again. Today we need to consider action to bring our heating system into compliance with NYC Building Department Codes, which our system now violates. At the same time, we need to contemplate *long term cost savings* by making our HVAC systems operate more efficiently.

In the last ten years, this church has spent large sums to explore our HVAC deficiencies. And, *huge* sums are paid every year to Con Edison for our steam heat and electricity – almost \$40,000 ^(\$39,272) in 2004 for example. If we can reduce our energy costs as little as 15%, we can expect savings of \$5,775 per year.

In the course of our current HVAC research, serious deficiencies in our heating and cooling systems have again been brought to our attention. These HVAC deficiencies are not new. When first reported to the Corporate body in 1995, no actions were recommended nor taken. If action had been taken, we would have already realized substantial financial benefits.

The initial investment to conserve energy and implement efficient operations may seem high, but over the long-term, thousands of dollars in unnecessary expenditures can be avoided, through *lowered* operating cost.

A small example is that this month we spent \$260 for "compact fluorescent bulbs" for the fixtures in the Park Avenue lobby to replace the \$8 worth of bulbs previously in use. Before these long-life, low-wattage, high-output bulbs burn out, we calculate that by spending \$260 on energy-saving 20 watt bulbs, we will save about \$720 in electricity, a savings of at least \$460 over the high energy costs of using ordinary 60-watt incandescent light bulbs.

As a result of our procrastination regarding our HVAC – failure to act has cost us not only higher operating costs for the past decade, but some of the changes that would have cost us \$13,000 then, are now estimated at \$20,000 – more than \$7,000 additional expense.

Recently we engaged the Joseph K. Blum engineering firm to once again check out our HVAC. They last did an HVAC engineering survey for us in 1995. [By the way, Joseph K. Blum was originally selected for us by our longtime member, Daniel Lazar, who was an engineer of high standing here in New York City.]

The Blum engineers were called in to answer *operating questions* about the system. What does this switch or this valve do? Should it be on or off? Because of changes in custodial staff and the many changes the system has gone through over the years, we wanted to make sure we were operating it to the best advantage. We will soon receive a new diagram and clear operating instructions in writing.

This survey again brought up **safety concerns** regarding our steam heat. The cost of

disintegrating insulation on the fittings in the closet, pipes which are heated to 350 degrees as you recall. The current insulation is in much worse condition than is evident in the 1996 photo on your handout.

Item 4, we mentioned a few moments ago. **Item 5** on the list are two large steam Pressure Relief Valves in the sub-basement which are leaking. If they can be repaired, the cost is \$800 each – or if they turn out to need replacement – they are \$4,000 each.

Item 6 is to disconnect an unused hot water heat exchanger and to cap it off for \$1,500 – another safety measure.

EFFICIENCY OF OPERATIONS to save money in the long run.

For a moment, let's jump to another aspect of HVAC, the implementation of energy-saving, cost-saving measures.

HEATING AND COOLING operating efficiency

The attic-to-sub-basement survey of our HVAC has uncovered several opportunities for "operating cost" savings.

We have an oversupply of fresh air being introduced into the building. There is a 7 ft. by 7 ft. opening on the North wall of the attic. In the winter, we have been heating this air as it comes into an attic room. And in the summer, we are cooling an overabundance of warm fresh air from the outside. **Item 7** on the handout addresses *this* concern *and also* the next shortcoming.

INADEQUATE RE-CIRCULATION of partially heated or cooled air

We have an *inadequate return air system for both heating and cooling*. In effect, in the auditorium, we are heating and cooling mostly incoming air and re-circulating only a small amount of air. The ideal efficiency is to heat (or cool) re-circulated air until all air is warm enough (or cool enough) and all the while, to be adding sufficient fresh air from the outside.

Four phases of improving these heating and cooling efficiencies are being studied, but we are only presenting phase one of the *operational* improvements tonight. This is **item 7** on your handout for **\$10,500** to accomplish the following:

- Provide two new openings in an interior block wall of in an attic room adjacent to the dome and install motorized control dampers and fire dampers at each opening..
- Reduce the size of the large outside air opening over existing abandoned steam coils.
- Provide this smaller size fresh air intake with a motorized damper and a fire damper.

This work will allow for cooled auditorium air to be recycled instead of using almost 100% outside air.

At the conclusion of this report, a series of motions will be offered to correct not only the code-related problems, but also the safety recommendations, and to implement the energy-saving measures just outlined.

The voting will require us to exercise wisdom, economy, and brotherly love in considering various elements totaling more than \$55,000 if all aspects are approved.

The committee has requested secret ballots following a few moments of silent prayer while we all "listen" for the answer that satisfies the requirements of wisdom, economy, and brotherly love.

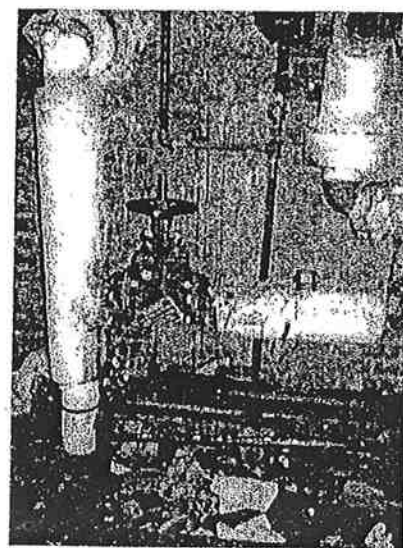
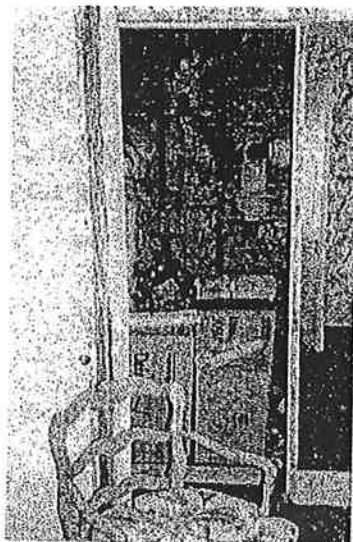
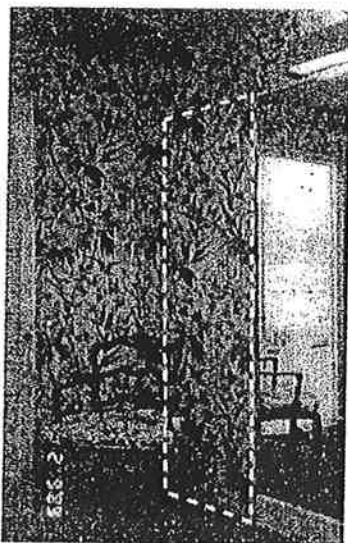
Lovingly submitted,

James Logan -- Chairman, Property Committee

Are there any questions on the report itself before we thoughtfully consider Motion No. 1? [Silent Prayer]

HVAC recommendations - May 17, 2005

Steam Service Closet



Dotted line = Hidden Door Steam Closet Door Open

Partial Inside View
1996 photos by Anne Collier

1. Install a fire-rated door to the Steam Service Closet. Point/grout the inside wall of the steam closet and install a double layer cement sheet lining on outside \$ 7,000
This is a safety recommendation included in Motion ②
2. Install a high pressure condensate flash tank with vent. \$20,000
This NYC Code requirement included in Motion ①
3. Install high pressure shutdown device and insulate the steam fittings in steam closet. \$ 4,500
These are safety recommendations included in Motion ②

Sub-Basement

4. Replace defective low pressure condensate pumps. \$ 3,500
The NYC Code requirement is that water released into Sewer be no warmer than 150 degrees – included in Motion ①
5. Repair or replace leaking steam Pressure Relief Valves. \$1600 - \$8,000
\$1600 if present valves can be repaired. \$8,000 to replace.
This is a safety recommendation included in Motion ②
6. Shut off steam to unused equipment, capping and disconnecting obsolete hot water heat exchanger. \$ 1,500
This is a safety recommendation included in Motion ②

Return Air for Auditorium Air Conditioning

7. Provide two return air openings in interior block wall of upper mechanical room adjacent to dome with motorized control dampers and fire dampers. Reduce the size of the large outside air opening currently without dampers and install motorized damper and fire damper to control fresh air intake. \$10,500
Auditorium air to be recycled instead of using almost 100% outside air is Motion ③

TURN OVER FOR MOTIONS TO BE PRESENTED

for complete file

Subj: Information as Relayed to the Board
Date: 4/8/00 6:44:37 PM Eastern Daylight Time
From: JLoganNY
To: Sswarzman
CC: MargoPGoodale

GENEVA SCHOOL
MOSQUITOES
STEAM HEAT/PUMPS
BLUM
PEST CONTROL

FYI: Here is the text of information relayed to Board last Thursday:

The presence of mosquitoes was reported by the Geneva School and has been attended to on a temporary basis by an exterminating company.

There exists "standing water" in the sub-basement, a potential risk for breeding mosquitoes. The causes of this standing water have been investigated by the Consulting Engineering firm of Joseph K. Blum Co.

A \$35,000 expenditure is anticipated to repair several leaks in the sub-basement from deteriorating equipment: 1) the steam heating system condensate receiver and pump, 2) the sewage ejector pit tank (which has two sump pumps), and 3) the steam pressure regulating and zone valves. Quotations are being sought to promptly handle these repairs.

I'll leave at the 40 E 94 desk some photos shown to the Board that you may wish to share with the House Committee,

Jim

*1/21/99 service 17.
Bill approved by
Diane Love 7.*

Jacobson Shinoda Architects P.C.

Invoice

DATE	INVOICE #
7/30/99	1[99-372]

BILL TO

Third Church of Christ, Scientist
583 Park Avenue
New York, NY 10021

Attn: Diane Love

PROJECT ADDRESS

For Architectural Services Rendered
Third Church of Christ, Scientist
583 Park Avenue
New York, NY

		PROJECT NO.	TERMS
		99-152	Net 15
DESCRIPTION	QTY	RATE	AMOUNT
FEE For Architectural Services Rendered <i>To determine if fire alarm is needed in Sunday-school for Geneva School.</i>		1,000.00	1,000.00
Total			\$1,000.00

GENEVASCHOOL

Fortes Pro Veris

MEMORANDUM

To: Dora Redmond
Third Church of Christ, Scientist

From: Scott Parson

Date: August 24, 2004

Re: Electrical Upgrade

I would like to propose to Third Church's Board of Trustees that Third Church and the Geneva School split the cost of an electrical upgrade to the space in the basement currently being used by the School as the staff office/lounge.

We've received a proposal for the work from Third Church's approved electrician for \$2,400 to install 4 new 20 amp lines in the basement panel in order to accommodate the increased computer usage, the addition of a printer and copier, as well as several small appliances used by the staff in that space.

The work would be permanent, and would be a significant improvement to the facility overall.

Would you please pass this on to your Board, and let me know if and when they have a chance to consider and decide on this?

Many thanks,

A handwritten signature in cursive script, appearing to read "Scott P.", is written below the typed name.



STAUBACH

A World of Real Estate Knowledge

May 12, 2006

Third Church Christ, Scientist, of New York City
583 Park Avenue
New York, NY 10021

Attn: Fulton Macdonald, Chairman

Re: Premises at 583 Park Avenue, New York, New York

Dear Mr. Macdonald:

The Staubach Company has reviewed the transaction terms for the lease between Third Church Christ, Scientist, of New York City and Rose Group Park Avenue LLC in order to confirm that the terms represent fair rental value. This market assessment does not constitute a formal appraisal, but represents a professional opinion of value.

Based on The Staubach Company's knowledge of comparable leases for restaurant and catering hall facilities, the terms of the proposed transaction represent reasonable market terms and conditions and fair rental value.

The final lease transaction terms are:

- Premises (please see Exhibit 2)
 - Total: 13,391 SF
- 20-Year lease term (with 2 additional 5 year renewal terms)
- Triple net lease structure protection for the Landlord (Church)
- \$374,006.50 average annual rent (Approximately \$27.93 PSF adjusted for 100% daily occupancy)
- Percent rent of 10% of gross sales in excess 10x annual rent
 - Reduced by \$50,000 per annum until the \$650,000 cost of Tenant replacing the roof is repaid
- No Tenant Improvements
- Non-exclusive use (5 out of 7 days/night)

The Church selected these final transaction terms as they represented the most favorable overall transaction economics for the Church, while maintaining the Church's prior existing use of the premises.

In order to determine if the final transaction terms represent market levels for rent, concessions and use, The Staubach Company looked at transaction terms for comparable restaurants and catering facilities in various Manhattan markets. Transaction terms were adjusted to net out concessions and converted to per square foot (PSF) for comparison purposes.



Fulton Macdonald
May 12, 2006

Premises

Most retail/restaurant leases have provisions for "back of the house" space, which is sometimes basement space. This space is used for storage, etc., and usually does not have rent attributable to it. For Comparison purposes we compared function space on all comparables.

Term

Restaurants and catering halls are typically leased for terms between ten and twenty years. The twenty year lease term represents the high side of the market but still constitutes a market term.

Lease Structure

Restaurants and catering halls lease structures vary from full service to triple net depending on the market and the particular building. However, the majority of transactions are structured on a triple net basis, similar to the referenced lease.

Basic Rent

Rents for restaurants and catering halls vary greatly depending on location, building, existing infrastructure, and lease term. Triple net rents, net of concessions, for comparable space range from \$20.00 to \$60.00 per square foot. The referenced lease is at the bottom of the range but accounts for the excellent location and discounts slightly for the non-exclusive use; and lack of normal signage.

Percentage Rent

Percentage rents vary from transaction to transaction making it difficult to make a market determination. However it should be noted that at conservative estimates of \$5-6 million in gross sales commencing in the 2nd year, the percentage rent can equal or exceed the base rent.

Concessions

Concessions come in the form of free rent, cash and base building improvements. The reference transaction has **no concessions** and is therefore on the bottom of the market concession spectrum.

Use

In typical or market transactions the tenant is granted exclusive use of the premises. The Church's lease is unique because the Church has the continued use of the premises for all of its current needs. This is atypical in the market and is viewed as extremely favorable for the Church.

Additional Consideration

The landlord (Church) will receive an additional benefit through the triple net structure due to the Church's continued use without the overhead expenses associated with the facility. Additionally the Church stands to benefit from the significant capital improvements (plumbing, electrical, lighting and HVAC systems) the Tenant has committed to install, all of which will directly benefit the Church through its continued use of the premises.



Fulton Macdonald
May 12, 2006

Conclusion

Based on our market knowledge and the attached comparable transaction/availabilities we feel the referenced transaction represents fair rental value when all terms are considered. However the transaction is particularly beneficial to the Church due to the continued access to the premises at no cost (rent or operating expenses) and the heavy capital investment (kitchen, HVAC, etc.) Rose will make that the Church will benefit from.

The attached chart (Exhibit 1) highlights the appropriate restaurant and catering halls comparable and available transactions including term, structure, rent, concessions and use.

Very truly yours,


Peter Hennessy

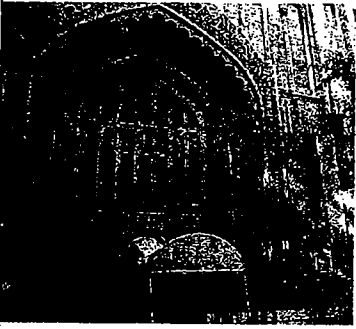
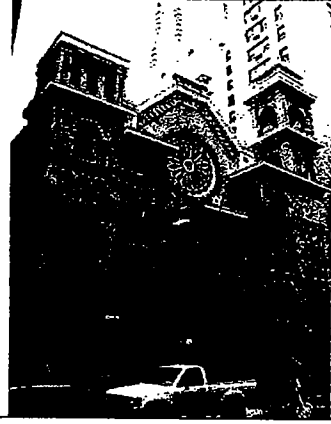

cc: Mac Horner
Drew Saunders
Robert Taylor



Fulton Macdonald
May 12, 2006

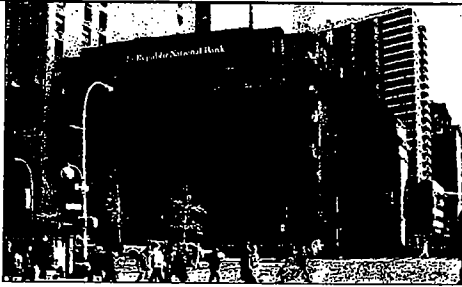
Exhibit 1

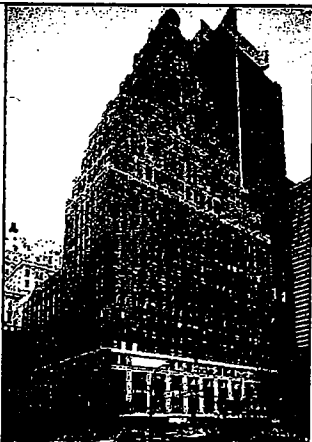
Comparable Transactions:

	Address:	50 East 87 th Street
	Tenant:	Neuman Leventhal
	Landlord:	Park Avenue Synagogue
	Management:	TBD
	RSF:	10,000 RSF
	Structure:	Year to Year Lease
	Notes:	-\$150,000 Annual Rent -No percentage rent -Landlord responsible for operating, taxes, HVAC
	NNN Equivalent	\$15.00 NNN PSF
	Address:	163 East 67 th Street
	Tenant:	Neuman Leventhal
	Landlord:	Park East Synagogue
	Management:	TBD
	RSF:	8,000 RSF
	Structure:	Year to Year Lease
	Notes:	-\$80,000 Annual Rent -No percentage rent -Landlord responsible for operating, taxes, HVAC
	NNN Equivalent	\$10.00 NNN PSF
	Address:	234 West 42 nd Street
	Tenant:	Dave & Busters
	Landlord:	Forest City Ratner
	RSF:	33,000 RSF
	Structure:	TBD
	Notes:	\$1.0 Mil. per annum \$30.30 PSF Full Service 10 Months Free Rent \$3.0 Mil. Allowance
	NNN Equivalent	\$11.00 NNN PSF




Fulton Macdonald
May 12, 2006

	Address:	1356 Broadway
	Tenant:	Gotham Hall
	Landlord:	Haier America David Odermatt 594-3330
	Management:	Jenel Management David Dushay 889-6405
	RSF:	15,000 RSF
	Structure:	10 Year Lease – signed ~ 2002
	Notes:	Net Rent of \$45.00/rsf NNN No percentage rent Tenant responsible for operating, taxes, HVAC
	NNN Equivalent	\$45.00 NNN PSF

	Address:	1501 Broadway
	Tenant:	Hard Rock
	Landlord:	Paramount Leasehold
	Management:	Newmark
	RSF:	42,000 RSF
	Structure:	16 Years plus (2) 5 year options Full Services
	Notes:	\$60.30 PSF Gross \$22.00 in Operating and Taxes No percentage rent Free Storage
	NNN Equivalent	\$38.30 NNN PSF

Available Space:

	Address:	40 Wall Street
	Tenant:	Available Space
	Landlord:	Trump Organization
	Leasing:	Mogull Realty
	RSF:	Ground: 30,525 RSF
	Structure:	Gross Lease. 6% percentage rent. Asking rent \$75.00/RSF. Operating Expenses est. \$15.00/RSF, Taxes est. \$12.00/RSF
	Notes:	\$40.00 PSF in Tenant Improvement contribution.
	NNN Equivalent	\$42.50 NNN PSF



Fulton Macdonald
May 12, 2006

Exhibit 2

SQUARE FOOTAGE

FIFTH FLOOR:

Organ Echo Chamber	220	Church Space
Additional Space	352	Shared Space
Landing	56	Shared Space
Maintenance Room	<u>25</u>	Shared Space
	653	

FOURTH FLOOR:

Literature Distribution	950	Rose Space
Attic 1	1100	Rose Space
Attic 2	1071	Church Space
Boardroom	418	Shared Space
Church Office	330	Church Space
Hallway	176	Shared Space
Bathrooms	<u>140</u>	Shared Space
	4185	

THIRD FLOOR:

First Reader's Room	194	Church Space
Organ Chamber	<u>416</u>	Church Space
	610	

SECOND FLOOR:

Second Reader's Room	145	Church Space
Organ Chamber	416	Church Space
Left Balcony	1249	Shared Space
Center Balcony	931	Shared Space
Right Balcony	1123	Shared Space
Landings & Closets	<u>164</u>	Shared Space
	4028	

MEZZANINE

Maintenance Office	156	Shared Space
Closet and landing	87	Shared Space
(Between Basement & 1 st Floor)		
Organist Office	<u>171</u>	Church Space
(Between 1 st & 2 nd Floor)	414	



Fulton Macdonald
May 12, 2006

GROUND FLOOR:

Auditorium	5998	Shared Space
Lobby	1080	Shared Space
Clerk's Office	194	Shared Space
Sitting – Mail Box area	56	Shared Space
63 rd Street Foyer	96	Shared Space
Back Hallway	264	Shared Space
Organ Chamber	<u>416</u>	Church Space
	8104	

BASEMENT:

Kitchen/storage	1408	Rose Space
Sunday Office (approx)	204	Church Space
Nursery (approx)	204	Church Space
Remaining space	<u>7399</u>	Shared Space
	9215	

SUB-BASEMENT:

Garbage/Storage	680	Rose Space
AT&T	160	Church Space (May go to roof)
Organ	130	Church Space
Nextel	182	Church Space
Remaining Space	<u>3072</u>	Shared Space
	4224	

Total Square Footage	31433
Church Space	4259
Rose Space	4138
Shared Space	23036

Rose anticipates using 82% of the building 30% of the time or 7,733 SF annualized
 18% of the building Rose is using 100% of the time or 5,658 SF annualized
 The Church is using 82% of the building 70% of the time or 18,042 SF annualized

Total Rose Annualized SF =	13,391 SF
Total Church Annualized SF =	<u>18,042 SF</u>
Total =	31,433 SF

583 Park Avenue

2006/2007 Event Schedule

Event Date	Event Name	Type of Event	Event Times	Guest Count
11/14/2006	CFDA Reception	Reception	6:30pm - 9:30pm	400
1/22/2007	JC Penney	Rental & Breakfast buffet	8:00am-8:00pm	400
5/19/2007	Mortimer Gaghan	Rec & Luncheon	2:30pm-6:30pm	258
6/3-4/2007	Oscar de la Renta Fashion Show	Fashion Show	1:00pm - 2:00pm	350
6/5/2007	Jewish Women's Fndn	KOSHER Reception, Buffet	6:00pm - 9:30pm	200
6/12/2007	Sloan Kettering Gala	Reception/Dinner/Dance	7:00pm-11:00pm	342
6/24/2007	Alpert wedding	Wedd Cer, Rec & Buffet Dinner Dance	5:00pm - 11:00pm	170
6/28/2007	New York Auto Dealers Association	Recepton/Seated dinner dance	7:00pm - 12:00am	206
9/8/2007	Pokotilow Fink Wedding	Wedd Cer, Rec DD	7:00pm - 1:30am	323
9/10/2007	Oscar de la Renta	fashion show	12:30p - 2:00p	850
9/18/2007	New Yorkers for Children	Rec & Seated D	6:30p-11:30p	720
9/19/2007	Sotheby's Int. Realty Inc.	Luncheon no alc.	8:30a - 4:30p	500
9/25/2007	Association of Legal Administrators	Luncheon Open Bar	12:00p - 2:30p	190
9/29/2007	Levine Schaps Wedding	Wedd Cer, Rec DD	7:00pm - 2:00am	314
10/4/2007	The Synergos Institute	Reception & Seated Dinner	5:30pm - 10:00pm	363
10/9/2007	UJA	Reception & Seated Dessert	6:00pm - 10:00pm	461
10/11/2007	Hispanic Society	Reception & Seated Dinner	7:30pm - 11:30pm	320
10/16/2007	House & Garden Magazine	Rec & Seated Dinner	6:30pm - 10:30pm	180
10/17/2017	Lily Holt	Lunch reception	11:30am-2:30pm	70
10/18/2007	Henry Street Settlement	Rec & Dinner	7:00pm - 11:00pm	400
10/19/2007	Jones Day Reavis & Pogue	Rec & Dinner	7:00pm-12:00am	310
11/22/2007	Conde Nast	Reception	7:00pm - 9:00pm	275
10/23/2007	Nike Womens Fitness	Workout and Reception	7:00pm - 10:00pm	120
10/25/2007	Outward Bound	Rec & Seated Dinner	6:30pm - 10:30pm	501
10/30/2007	Avon Foundation	Rec & Seated Dinner	6:30pm - 11:30pm	570
11/1/2007	UJA Luncheon	Luncheon	11:15am - 2:00pm	426
11/1/2007	Bob Hardwick Reception	Reception	6:30pm - 10:00pm	634
11/2/2007	ICI	Reception & Seated D	7:00pm-12:00am	320
11/5/2007	Sundance Institute	Reception & Dinner	6:30pm - 10:30pm	550
11/6/2007	Strive New York	Reception & Gala Dinner	6:30pm - 10:30pm	400
11/8/2007	Global Endeavor	Reception & Seated D	6:30pm - 11:30pm	550
11/11/2007	Events in Motion - Warner	Buffet Reception	8:30pm - 11:30pm	400
11/12/2007	World Childhood Foundation	Reception & Seated D	6:30pm - 11:30pm	360
11/13/2007	First Republic Bank	Reception	6:00pm - 9:00pm	350
11/15/2007	Business Execs for Nat'l Security	Reception & Seated D	6:30pm-10:30pm	390
11/26/2007	Garden House School	Reception	6:00pm - 9:00pm	400
11/29/2007	Queen Sofia/Spanish Institute	Reception and Seated D	7:30pm - 12:00am	415
12/3/2007	Oscar de la Renta	Fashion Show	12:30pm - 2:00pm	400
12/4/2007	Hedge Fund Intelligence	Reception & Sitdown Dinner	5:30pm - 10:30pm	408
12/6/2007	WSTA	Rec & Buffet dinner	6:00pm - 11:00pm	800
12/8/2007	Fidessa Corp.	Reception & Buffet Dinner	7:00pm - 1:00am	440
12/10/2007	Morgan Stanley	Reception & Buffet	6:00pm - 11:00pm	1600
12/11/2007	UBS	Reception & Buffet	6:00pm - 11:00pm	600
12/13/2007	Citigroup	Reception & Buffet	6:00pm - 11:00pm	1240
12/14/2007	Keefe, Bruyette & Woods	Reception & Buffet	6:00pm - 11:00pm	475
12/20/2007	DLA Piper	Rec & Buffet DD	6:00p - 11:00pm	570

583 Park Avenue
2008 Event Schedule

Event Date	Event Name	Type of Event	Event Times	Guest Count
1/25/2008	UNFCU Gala	Reception & Seated Dinner	6:30pm - 11:30pm	250
1/26/2008	Berkowitz Lee Wedding	Wedding Ceremony, Reception & DD	7:00pm - 12:00am	200
2/4/2008	Oscar de la Renta	Fashion Show	12:00pm - 2:00pm	400
3/8/2008	IHO Ryan Reiss	Bar Mitzvah Rec & DD	7:00pm - 12:00am	200
3/10/2008	Signature Theatre Company	Rec & Dinner	6:30pm - 10:30pm	375
3/11-20/08	Asian Art Fair	Trade Show	11:00am - 7:30pm	500
3/14/2008	Asia Society Reception	Cocktail Reception	6:00pm - 9:00pm	750
4/5/2008	Weil - Lax Wedding	Wedd Cer, Rec & DD	7:30pm - 1:30pm	300
4/8/2008	Horticultural Society	Reception & Gala Dinner	7:00pm - 11:00pm	275
4/10/2008	Willkie, Farr & Gallagher	Reception & Buffet DD	6:30pm - 11:30pm	400
4/12/2008	Lustig Bat Mitzvah	Reception & Dinner	7:00pm - 12:00am	195
4/13-14/2008	Oscar de la Renta	setup day & fashion show	10:00a-12:30p	400
4/15/2008	Allen Stevenson	Reception	6:00pm - 9:00pm	700
4/16/2008	Bard Graduate Center	Reception & Luncheon	12:00pm - 2:30pm	125
4/21/2008	Consorzio Vino Wine Tasting	Reception & Wine tasting	2:00pm - 8:00pm	600
4/26/2008	Reggie Van Lee Gala	Reception & Seated Dinner	6:00pm - 11:00pm	200
5/2/2008	Sacred Heart School	Rec & Seated Dinner	6:30pm - 11:00pm	450
5/3/2008	IHO: Miss Alyx Levy	Rec & DD	6:00pm - 11:00pm	250
5/5/2008	Sarcoma Foundation	Reception & Seated Dinner	6:00pm - 10:00pm	500
5/10/2008	Slaton Green Wedding	Ceremony, Rec & DD	TBD (7:00pm-1:00am)	350
5/12/2008	CAMERA	Kosher Rec & D	6:00pm - 10:00pm	400
5/19/2008-TBC	Oscar de la Renta	setup day & fashion show	12:30pm-2:30pm	400
6/4/2008	Chapin School Graduation	Graduation & reception	10:00am - 1:30pm	400
8/23/2008	Hammalove / Neuman Wedding	Cer, Rec & DD	TBD (7:00pm-1:00am)	200
9/10/2008	ANA Conference	all-day mtg: bfast, break, buffet lunch, break	6:00a-4:00p	150
10/4/2008	IHO: Erica & Nicki Cohen	Rec & DD	7:00p - 12:00a	225
10/11/2008	Bloom Bat Mitzvah	Rec & DD	TBD (7:00pm-12:00am)	250
10/23/2008	Maverick Capital	Lunch, mtg, break, reception	12:00pm - 7:00pm	350
11/1/2008	IHO: Emily Becker	Rec & DD	8:00p - 1:00am	225
11/13/2008	Global Endeavor	Rec & Dinner	TBD (6:00pm-11:00pm)	400
12/4/2008	Morgan Stanley	Reception and buffet DD	6:00pm - 10:00pm	1500



THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK, NY 10007

TEL: 212 669-7700 FAX: 212 669-7780



PERMIT FOR MINOR WORK

ISSUE DATE: 09/21/07	EXPIRATION DATE: 09/21/2011	DOCKET #: 072909	PMW #: PMW 08-3361
ADDRESS 583 PARK AVENUE HISTORIC DISTRICT UPPER EAST SIDE		BOROUGH: MANHATTAN	BLOCK/LOT: 1390 / 1

Display This Permit While Work Is In Progress

ISSUED TO:

R. Fulton MacDonald
Third Church of Christ Scientist of New York City
583 Park Avenue
New York, NY 10021

Pursuant to Section 25-310 of the Administrative Code of the City of New York, the Landmarks Preservation Commission hereby approves certain alterations to the subject premises as proposed in your application completed on September 21, 2007.

The approved work consists of installing limestone color painted metal panels at the frieze, directly below the triangular pediment covering existing incised lettering; install slate color painted metal panels within the two existing framed tablets located on the front façade; removing the metal directory at the southern most corner of the front façade, and repairing the brick and mortar in-kind; as shown in current condition photographs and drawings labeled A100, A301 and A302 dated June 19, 2007, and A201 dated November 27, 2007, prepared by Michael L. Goldblum, R.A.

In reviewing this proposal, the Commission notes that the Upper East Side Historic District designation report describes 583 Park Avenue as a neo-Georgian style church designed by Delano & Aldrich and built in 1922-24; and that the style, scale, materials and details of the building are among the features which contribute to the special architectural and historic character of the Upper East Side Historic District. The Commission also notes that Warning Letter 08-0185 was issued September 19, 2007 for "Alterations to facade without permit(s)".

With regard to this proposal, the Commission finds that the installation of applied metal panels at the frieze to cover the existing carved signage will not result in the removal of significant historic fabric and that the panels will be scored and finished to match the stone; that the installation of the panel at the

frieze will be installed into the mortar joints, and will not damage or destroy any significant architectural features of the building; and that the installation of the thin metal panels over the existing slate panels at the ground floor signs attached at the perimeter joint will match the color and texture of the existing material, will be set within the stone frame, and will be attached as to not damage or destroy the underlying slate; and that the repointing of the brick will match the original in terms of composition, color, texture, finish, details and tooling and therefore, will not be detrimental to the brick, stone, stucco or facade in terms of being too strong or hard. Based on these findings, the work is approved and Warning Letter 08-0185 is hereby rescinded.

This permit is issued on the basis of the building and site conditions described in the application and disclosed during the review process. By accepting this permit, the applicant agrees to notify the Commission if the actual building or site conditions vary or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual building or site conditions are materially different from those described in the application or disclosed during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of approval. The work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing or maintaining any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquiries to Kim Valente.


Robert B. Tierney
Chair

**PLEASE NOTE: A COPY OF THIS PERMIT HAS BEEN SENT TO:
Michael L. Goldblum, The Building Studio, LLP**

cc: Michael L. Goldblum, The Building Studio, LLP; Jay A. Segal, Esq.;
Mark Silberman, Legal Counsel; John Weiss, Deputy Legal Counsel;
William Neeley, Deputy Director of Preservation; Lily Fan, Director
of Enforcement





583 PARK AVENUE
NEW YORK

THIRD CHURCH OF
CHRIST, SCIENTIST

CHRISTIAN SCIENCE SERVICES
SUNDAY 11 AM
SUNDAY SCHOOL 11 AM
WEDNESDAY MEETING 2:30 PM
INCLUDES TESTIMONIES OF HEALING
CHILD CARE PROVIDED



ALL ARE WELCOME
CHRISTIAN SCIENCE READING ROOM
147 EAST 62ND STREET



583 PARK AVENUE
NEW YORK

THIRD CHURCH OF CHRIST, SCIENTIST

SERVICES

11 AM*

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ALL ARE WELCOME

CHRISTIAN SCIENCE READING ROOM

147 EAST 62ND STREET

CHRISTIAN
SCIENCE
SUNDAY
SCHOOL

11:00 A.M.

VISITING CHILDREN
WELCOME

DOORS OPEN 10:40 A.M.







POLICE DEPARTMENT

19th Precinct
153 East 67 Street
New York, N.Y. 10021

January 18, 2008

Louis Rose
The Rose Group
583 Park Avenue
New York, New York 10021

Dear Mr. Rose,

I am a police officer employed by the New York City Police Department and serve as the community affairs officer for the 19th precinct.

At your request, I ran a report of the 311 calls made concerning 583 Park Avenue from June through the end of December 2007. Approximately 26 calls were made. All of these calls related to "quality of life" complaints such as noise, traffic and double parking. Because we do our best to be responsive to the local community, it is the policy of the NYPD to respond to every 311 call, and I believe we did respond to all of these calls. In each such case, by the time an officer arrived at the location there either appeared to be no basis for the complaint or the situation giving rise to the complaint had already ended. Most dispositions to these calls were that the complaints were resolved without incident or were unfounded. So as far as I know, during the period in question, we have never issued any summonses or otherwise taken any action against the Rose Group or anyone else responsible for events held at 583 Park Avenue.

Please let me know if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Helms".

Chris Helms
Police Officer

COURTESY • PROFESSIONALISM • RESPECT

**MINUTES OF THE
SPECIAL CORPORATE MEETING OF THE MEMBERS
OF THIRD CHURCH OF CHRIST, SCIENTIST, OF NEW YORK CITY
March 26, 2007**

A Special Corporate Meeting of Third Church of Christ, Scientist, of New York City was called to order by the Clerk on Monday, March 26th at 7:00 p.m. A quorum was present.

The meeting opened with the singing of Hymn 23; words by Mary Baker Eddy.

The President, Sylvia Sirota, read selections from the Bible and the writings of Mary Baker Eddy. This was followed by silent prayer and the audible repetition of the Lord's Prayer.

The Parliamentarian for the meeting was Jean Hall.

The Clerk read the Call to Meeting dated March 16, 2007.

Report by the Chairman of the Board of Trustees – Fulton Macdonald

Guest Speaker – Louis Rose of the Rose Group gave a report followed by a question and answer period.

NEW BUSINESS

It was **MOVED** and **SECONDED** to authorize the Trustees to negotiate with Rose Group Park Avenue LLC (the "Tenant") an amendment to the lease which would obligate the Church to pay to the Tenant an amount up to the funds that the Tenant invested in restoration of the edifice. Such obligation would be contingent upon completion of the restoration work required by in the lease. Such obligation would also come into effect only if the Tenant loses its accessory use permit, is unable to conduct a catering activity in the edifice and only if the Tenant applies for a 74-711 permit, and such application is denied and the Tenant timely prosecutes an appeal and loses the appeal of any such denial.

It was **MOVED** and **SECONDED** but not carried to postpone indefinitely deliberation of the main motion. **16 No, 10 Yes**

The main motion was then **CARRIED. 15 YES, 11 NO**

It was **MOVED, SECONDED, and CARRIED** to authorize the Trustees to negotiate an amendment to the lease which would require the Tenant to abide by standards concerning sound and light levels, traffic control, signage, external marketing communications, number of events, and number of people at events. These standards shall be set by agreement between the landlord and Tenant, and/or by agreements to which the Church and its neighbors are parties, and shall include all Municipal requirements concerning the use of the building. Such amendment would also provide that the Tenant's contracts with its clients require similar conformity with standards in effect from time to time concerning sound and light levels, traffic control, number of persons attending events and signage on the exterior of the building.

It was **MOVED, SECONDED, and CARRIED** to authorize the Trustees to negotiate an amendment to the lease which would require the Tenant to provide insurance coverage at the levels mandated by the Church's insurance broker and insurance underwriter.

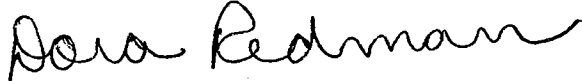
Case 1:07-cv-10962-DAB Document 16-13 Filed 02/22/2008 Page 2 of 2
It was **MOVED, SECONDED, and CARRIED** to authorize the Trustees to negotiate an amendment to the lease which would require the Tenant to provide catering for up to 20 events per year related to Church activity at cost. Sales from such events will not be included in the calculation of percentage rent.

ADJOURNMENT

It was **MOVED, SECONDED, and CARRIED** to adjourn.

The meeting was adjourned at 10:11 PM with the audible repetition of the "Scientific Statement of Being" from Science and Health with Key to the Scriptures by Mary Baker Eddy, and the correlative scripture from 1 John 3:1-3.

Lovingly submitted,

A handwritten signature in cursive script, appearing to read "Dora Redman".

Dora Redman
Clerk

SATTERLEE STEPHENS BURKE & BURKE LLP

230 PARK AVENUE
NEW YORK, NY 10169-0079
(212) 818 9200

33 WOOD AVENUE S.
ISELIN, NJ 08830-2735
(732) 603-4966
FAX (732) 603-4977

FAX (212) 818-9606/7
www.ssbb.com

E-Mail: jsaver@ssbb.com

DAVIS WRIGHT TREMAINE LLP
DATE: 2/20/08
☐ MAIL ☒ BY HAND
☐ FAX ☐ FEDERAL EXPRESS

February 20, 2008

BY HAND

Paula Gellman, Esq.
NYS Attorney General
Charities Division
120 Broadway
Third Floor
Room 2520
New York, NY 10271-0332

Re: Third Church Christ, Scientist, of New York City;
Lease Dated January 31, 2006;
Premises at 583 Park Avenue, New York, New York

Dear Ms. Gellman:

This firm is counsel to Third Church Christ, Scientist, of New York City (the "Church") in connection with the above-referenced lease (the "Lease"). You have inquired concerning the circumstances surrounding the Second Amendment of the Lease dated March 27, 2007 (the "Second Amendment") and have requested certain information relating to the statements contained in the preamble to that amendment. Pursuant to your request, I have attached hereto as Exhibit A a spreadsheet showing the "Initial Expenditures" (payments 2/8/06 – 3/26/07) that were incurred by the tenant, Rose Group Park Avenue LLC ("Rose Group"), prior to the date of the amendment,¹ the "Additional Expenditures" (payments 4/29/07 to date) made by the Rose Group subsequent to the date of the amendment up to February 14, 2008 and accounts payable as of February 14, 2008.²

¹ As you can see, as of the end of March 2007, the Rose Group had expended \$2,117,662. While lower than the \$2.5 million figure included in the whereas clause of the Second Amendment, this amount is substantially the same as that figure; indeed, if one includes payments made to fund construction by the end of April, 2007, the amount of construction costs as of that date is in fact higher than \$2.5 million.

² The total spent as of February 14, 2008 by Rose Group is \$7,229,899 with outstanding accounts payable of \$1,340,311 for a total of \$8,570,210.

Paula Gellman, Esq.
February 20, 2008
Page 2

You have also inquired concerning whether or not the roof repair referred to in the Lease (paragraph 5.H) has been completed. While temporary repairs have been completed and the leaking has been substantially stopped, the major roof repair, which includes a very expensive replacement of the slate roofing shingles has been delayed due to a combination of the expense, the winter weather and the necessity of obtaining the approval of the Landmarks Preservation Commission for the contemplated work. Is it anticipated that the roof work will commence in the summer of 2008 and will proceed at the pace permitted by the financial resources of the Rose Group. If new leaks appear prior to the completion of the replacement, temporary repairs will continue to be made as required. In the meantime, as stated above, temporary repairs have been completed, the roof is substantially watertight and work on the building systems and the interior of the building is almost (95%) complete as of this writing.

Finally, you have inquired concerning whether or not either the Church or the Rose Group contemplated seeking the approval of the Supreme Court and your office prior to executing the Second Amendment to the Lease. It is my recollection that both parties considered seeking the approval of the Supreme Court to be premature because the manner of any possible future disposition of the premises of 583 Park Avenue was both remote and undefined at the time the Second Amendment was negotiated. The original Lease was specifically conditioned upon the Church receiving permission from the New York City Department of Buildings ("DOB") before the Church would authorize the commencement of construction work in or on the premises. *See* Lease at paragraph 2.3c. After that permission, in the form of a pre-consideration approval, was granted in writing by the DOB, and the other conditions set forth in Article 2 of the Lease had been met, the Church permitted the Rose Group to begin its renovation of the building in accordance with the terms of the Lease.

In June 2006, almost a year prior to the execution of the Second Amendment, the Church had received a modified pre-consideration approval from the DOB permitting the use as contemplated in the Lease. On March 12, 2007, however, an attorney representing several neighbors of the Church wrote to the DOB asking that the DOB revoke all permits. This was well after the construction work had begun pursuant to the Lease. While the Church reasonably believed at that time that the DOB would adhere to its previous decision, which we believed was fully justified, to issue the pre-consideration approval for the accessory use permit, that provocative letter from counsel for the Church's influential neighbors did introduce an element of uncertainty. Accordingly, the Church wanted to ensure that the alterations described in the Lease would be completed and that all necessary steps would be taken to maintain the accessory use permit or another form of permit that would allow continued use of the premises as contemplated by the Lease. Without the rental income from the Lease, the Church would be unable to carry out any of its programs or perhaps even to continue to be able to meet the financial obligations of operating and maintaining the premises.

The Second Amendment provided, in essence, that if the Rose Group and the Church were unable to use the premises for the use permitted under the Lease, then the Church

Paula Gellman, Esq.
February 20, 2008
Page 3

would use its best efforts to make a "disposition" of the premises mutually acceptable to the Church and the Rose Group, so as to generate sufficient proceeds to pay to the Rose Group the expenses which it would incur to make further improvements to the building from and after the date of the Second Amendment. That "disposition" could take any one of several different forms, such as a further subleasing of the premises, termination of the existing Rose Group lease and the execution of a new lease with a third party, a mortgage of the premises or an outright sale of the premises to a third party. Any one of the aforementioned forms of "disposition" would require the approval of the New York State Supreme Court and the New York State Department of Law. Therefore, the parties considered an application for an approval of the Second Amendment to be premature. None of the terms of the disposition could be known until and unless a disposition in fact became necessary and the parties were able to mutually agree on the form of said disposition.

At the time of the Second Amendment both parties were aware of the need for the approval of the Supreme Court and the New York State Department of Law in the event of any eventual disposition of the premises. During this time, it was important to the Church to ensure that the improvements to the premises as outlined in the Lease were carried out to completion and that all reasonable legal steps were pursued in order to obtain permission for the use contemplated by the Lease, either as an accessory use or by obtaining a modification of the use regulations, so that the building could continue to be maintained and preserved. The Church did not enter into the Second Amendment lightly. The decision whether to enter into that amendment was the subject of a special corporate meeting of the Church held on Monday, March 26, 2007. At that meeting, both the first and second amendments to the Lease were approved by the members of the congregation. A copy of the minutes of that special corporate meeting is attached hereto as Exhibit B.

It is the belief of both the Church and the Rose Group that, as a result of the current lawsuit brought by the Church against the City of New York, the use contemplated by the Lease will be permitted as it originally was by the DOB. (As you may know, the United States District Court for the Southern District of New York has issued a Temporary Restraining Order enjoining the DOB from revoking the earlier-issued permission.) However, in the event that the Church and the Rose Group are ultimately unable to use the premises for the permitted use as set forth in the Lease, the Church understands its obligation to seek the approval of both the New York State Department of Law and the New York State Supreme Court for any disposition of the premises at 583 Park Avenue. The instant situation is analogous to an option to sell property belonging to a religious organization. While the option agreement itself does not require the approval of the Court or the Department of Law, once the option is exercised and an actual sale will take place those approvals must be obtained prior to and as a condition of any closing.

Paula Gellman, Esq.
February 20, 2008
Page 4

If you have any further questions or require any further information, please
contact the undersigned at any time.

Very truly yours,

J. Gregory Saver

JGS:jr

The Rose Group, LLC DBA: 583 Park Avenue
Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07 to date	Accounts Payable as of 2/14/08
ACME Mechanical Contractors, Inc.	Check	12/20/2006	2126	Invoice: Dec. 19th	-9,237.65	-9,237.65		
ACME Mechanical Contractors, Inc.	Check	01/05/2007	2155	Invoice #2	-12,698.24	-12,698.24		
ACME Mechanical Contractors, Inc.	Check	01/25/2007	2175	Invoice #3	-13,905.87	-13,905.87		
ACME Mechanical Contractors, Inc.	Check	02/08/2007	2209	Invoice #4	-17,487.38	-17,487.38		
ACME Mechanical Contractors, Inc.	Check	02/26/2007	2231	Invoice 5A	-14,080.32	-14,080.32		
ACME Mechanical Contractors, Inc.	Check	03/02/2007	2246	Invoice #5	-14,720.00	-14,720.00		
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	03/13/2007	2275	Invoice #6	-34,565.40	-34,565.40		
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	03/29/2007	2515				-10,155.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	04/11/2007	2536				-20,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	04/25/2007	2579				-25,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	05/03/2007	2598				-35,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	05/03/2007	2599				-25,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	05/17/2007	2651				-35,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	05/25/2007	2681				-25,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	06/01/2007	2715				-30,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	06/08/2007	2753				-35,000.00	
ACME Mechanical Contractors, Inc.	Check	06/14/2007	2775				-35,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	06/22/2007	2792				-25,000.00	
ACME Mechanical Contractors, Inc.	Check	06/29/2007	2852				-25,000.00	
ACME Mechanical Contractors, Inc.	Check	07/13/2007	2907				-25,000.00	
ACME Mechanical Contractors, Inc.	Check	07/20/2007	2937	Partial #2 June Invoice			-15,000.00	
ACME Mechanical Contractors, Inc.	Check	07/26/2007	2947	Partial June Invoice payment			-25,000.00	
ACME Mechanical Contractors, Inc.	Check	08/03/2007	2990	July Payment			-25,000.00	
ACME Mechanical Contractors, Inc.	Check	08/10/2007	3007	Invoice #14			-25,000.00	
ACME Mechanical Contractors, Inc.	Check	08/24/2007	3062				-15,000.00	
ACME Mechanical Contractors, Inc.	Check	09/06/2007	3111				-15,000.00	
ACME Mechanical Contractors, Inc.	Check	09/14/2007	3132				-15,000.00	
ACME Mechanical Contractors, Inc.	Check	09/21/2007	3159	Sept. Invoice payment			-10,000.00	
ACME Mechanical Contractors, Inc.	Check	09/28/2007	3210	WE 9/30			-2,000.00	
ACME Mechanical Contractors, Inc.	Check	10/05/2007	3257				-15,000.00	
ACME Mechanical Contractors, Inc.	Check	10/12/2007	3283				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	10/19/2007	3324				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	11/02/2007	3417				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	11/09/2007	3448				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	11/16/2007	3510				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	11/21/2007	3520				-15,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	12/07/2007	3590				-8,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	12/14/2007	3617				-4,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	01/04/2008	3686				-5,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	01/11/2008	3695				-1,000.00	
ACME Mechanical Contractors, Inc.	Bill Pmt -Check	02/08/2008	3757	Accounts Payable				-309,477.29
Advanced Construction Estimating, Inc.	Check	02/01/2007	2195	Invoice #1	-6,500.00	-6,500.00		
Advanced Construction Estimating, Inc.	Check	02/15/2007	2223	Req # 2, 2/12/07, Contract \$ 13000, down \$ 6500, balance due.	-6,500.00	-6,500.00		
Advanced Construction Estimating, Inc.	Check	02/26/2007	2232	Phase II #1	-8,500.00	-8,500.00		
Advanced Construction Estimating, Inc.	Check	03/08/2007	2270		-9,900.00	-9,900.00		

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AEC Consulting & Expediting, Inc.	Check	11/02/2006	2043	Prop: 6786,6787,6788,6789,6816	-9,675.00	-9,675.00			
AEC Consulting & Expediting, Inc.	Check	11/16/2006	2072	Invoice #13893	-1,100.00	-1,100.00			
AEC Consulting & Expediting, Inc.	Check	12/05/2006	2093	Invoice #14221	-350.00	-350.00			
AEC Consulting & Expediting, Inc.	Check	05/04/2007	1137						
AEC Consulting & Expediting, Inc.	Bill Pmt -Check	05/08/2007	2610	C of O research				-385.00	
AEC Consulting & Expediting, Inc.	Bill Pmt -Check	08/20/2007	3032	Accounts Payable				-5,091.60	
AEC Consulting & Expediting, Inc.	Accounts Payable							-450.00	-466.95
Alliance Carpet & Tile	Check	11/01/2006	2042	Prop: 6608 Deposit 50%	-1,679.82	-1,679.82			
Alliance Carpet & Tile	Check	11/13/2006	2055	Invoice #06-6608	-1,679.81	-1,679.81			
Alliance Carpet & Tile	Bill Pmt -Check	05/07/2007	2605					-6,353.49	
Alliance Carpet & Tile	Bill Pmt -Check	05/24/2007	2679					-5,000.00	
Alliance Carpet & Tile	Check	09/04/2007	3097					-4,494.19	
Allied Flooring Systems Inc.	Check	09/04/2007	3098					-2,000.00	
Allied Flooring Systems Inc.	Check	09/21/2007	3165	Sept. Invoice Payment 7-1908				-2,500.00	
Allied Flooring Systems Inc.	Check	11/02/2007	3415					-6,758.88	
Amec Services Electric, Inc	Check	09/12/2006	1075	2080	-735.00	-735.00			
Amec Services Electric, Inc	Bill Pmt -Check	10/11/2006	1113		-24,430.09	-24,430.09			
Amec Services Electric, Inc	Bill Pmt -Check	10/11/2006	1122	Deposit for Temporary Heat	-3,000.00	-3,000.00			
Amec Services Electric, Inc	Bill Pmt -Check	10/11/2006	1121	Deposit for new Pannel	-5,000.00	-5,000.00			
Amec Services Electric, Inc	Bill Pmt -Check	10/19/2006	2012	Invoice #2098	-7,609.80	-7,609.80			
Amec Services Electric, Inc	Bill Pmt -Check	10/27/2006	2037	Invoice #2101	-3,423.59	-3,423.59			
Amec Services Electric, Inc	Bill Pmt -Check	11/13/2006	2057	Invoices: 2102B, 2103B	-23,423.59	-23,423.59			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2134	Invoice #2118	-3,578.10	-3,578.10			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2133	Invoice #2109	-6,412.00	-6,412.00			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2132	Invoice #2117A	-7,500.00	-7,500.00			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2130	Invoice #2103C	-3,900.00	-3,900.00			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2129	Invoice #2102C	-500.00	-500.00			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2128	Invoice #2093B	-2,500.00	-2,500.00			
Amec Services Electric, Inc	Bill Pmt -Check	12/20/2006	2128	Invoice #2108	-7,500.00	-7,500.00			
Amec Services Electric, Inc	Bill Pmt -Check	02/15/2007	2224	Settle the listed Invoices	-83,035.20	-83,035.20			
Amec Services Electric, Inc	Bill Pmt -Check	08/03/2007	2987	open invoices				-20,718.88	
Americold, Inc.	Accounts Payable			Accounts Payable					-394.21
Andrew Katz	Check	07/27/2006	1015	Retainer (as per Joe G)	-1,000.00	-1,000.00			
Andrew Katz	Check	08/16/2006	1032	Electrical Plan deposit	-3,500.00	-3,500.00			
Andrew Katz	Check	08/16/2006	1033	Fire Alarm Plan Deposit	-3,500.00	-3,500.00			
Andrew Katz	Check	08/16/2006	1034	Plumbing Plan Deposit	-3,500.00	-3,500.00			

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Andrew Katz	Check	10/19/2006	2013	Plumbing, Sprinklers, Electrical				
Andrew Katz	Check	12/20/2006	2122	Engineering	-9,500.00	-9,500.00		
Andrew Katz	Bill Pmt -Check	05/10/2007	2631	Fire / Plumbing Filing	-3,500.00	-3,500.00		
Andrew Katz	Accounts Payable			Accounts Payable			-7,000.00	-7,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	04/20/2007	2562					
Appia Marble & Granite, Inc.	Bill Pmt -Check	05/09/2007	2612					
Appia Marble & Granite, Inc.	Bill Pmt -Check	05/18/2007	2659				-10,000.00	-10,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	06/22/2007	2798				-25,000.00	-25,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	07/13/2007	2908				-35,000.00	-35,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	07/26/2007	2948				-10,000.00	-10,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	08/17/2007	3031				-10,000.00	-10,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	08/24/2007	3066				-15,000.00	-15,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	09/06/2007	3114				-10,000.00	-10,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	09/14/2007	3134				-7,000.00	-7,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	09/21/2007	3163				-3,000.00	-3,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	09/28/2007	3209				-3,000.00	-3,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	10/05/2007	3260				-2,000.00	-2,000.00
Appia Marble & Granite, Inc.	Bill Pmt -Check	10/12/2007	3292				-3,000.00	-3,000.00
Appia Marble & Granite, Inc.	Accounts Payable			Accounts Payable			-3,000.00	-1,150.00
Architectural Grille Corp.	Bill Pmt -Check	10/09/2007	3268	Kitchen Equipment				
Architectural Grille Corp.	Check	10/19/2007	3333				-5,852.52	-5,852.52
							-1,441.31	-1,441.31
Atlas Switch Co., Inc.	Bill Pmt -Check	08/03/2007	2988	Switch proposal			-4,500.00	-4,500.00
Atlas Universal	Check	05/25/2007	2888					
Atlas Universal	Bill Pmt -Check	07/13/2007	2915				-1,600.00	-1,600.00
Atlas Universal	Bill Pmt -Check	08/22/2007	3048	Wood doors			-2,210.00	-2,210.00
Atlas Universal	Check	08/23/2007	3049	Door Install Deposit			-1,400.00	-1,400.00
Atlas Universal	Check	10/12/2007	3280				-4,000.00	-4,000.00
Atlas Universal	Check	10/12/2007	3302	Final Payment			-7,000.00	-7,000.00
							-6,000.00	-6,000.00
B&B Sheetmetals	Check	11/09/2007	3443					
B&B Sheetmetals	Check	11/09/2007	3455				-373.89	-373.89
							-75.00	-75.00
BBH Solutions, Inc.	Check	09/08/2006	1065	Inv. 24125				
BBH Solutions, Inc.	Check	10/02/2006	1105	Phone Invoice #24433				
							-3,550.15	-3,550.15
							-2,252.36	-2,252.36

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BBH Solutions, Inc. BBH Solutions, Inc.	Check Accounts Payable	10/26/2006	2033	Invoices: 24578, 24579, 24580 Accounts Payable	-596.07	-596.07			-2,567.07
Billows Electric Supply Company	Check	10/25/2006	2036	10 Berko Portable Heaters Invoice #427044-01	-7,150.00	-7,150.00			
Boro Land Surveying P.C. Boro Land Surveying P.C. Boro Land Surveying P.C.	Check Bill Pmt -Check Bill Pmt -Check	09/18/2006 01/10/2007 05/17/2007	1079 2163 2654	Balance of Sept. Survey Balance of Sept. Survey	-1,200.00 -800.00	-1,200.00 -800.00		-400.00	
BRC Commercial Kitchens Corp. BRC Commercial Kitchens Corp. BRC Commercial Kitchens Corp.	Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check	05/07/2007 07/13/2007 07/19/2007	2604 2913 2928					-14,997.50 -10,000.00 -4,997.50	
Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp. Brian Painting Corp.	Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Accounts Payable	05/30/2007 07/13/2007 08/17/2007 09/13/2007 09/21/2007 09/28/2007 10/04/2007 10/12/2007 10/19/2007 11/02/2007 11/13/2007 11/16/2007 11/21/2007 12/07/2007 12/14/2007 01/04/2008 02/08/2008 3759	2709 2917 3026 3125 3169 3200 3234 3285 3325 3408 3473 3512 3521 3594 3621 3688 3759	Deposit, Materials Deposit, Materials Deposit, Materials Deposit, Materials Deposit, Materials Deposit, Materials				-50,000.00 -20,000.00 -20,000.00 -20,000.00 -10,000.00 -10,000.00 -20,000.00 -10,000.00 -10,000.00 -10,000.00 -15,000.00 -10,000.00 -10,000.00 -15,000.00 -8,000.00 -4,000.00 -1,250.00	
Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp. Brown Builders Supply Corp.	Check Check Bill Pmt -Check Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Bill Pmt -Check Check	12/05/2006 03/01/2007 03/19/2007 04/16/2007 05/02/2007 05/09/2007 05/10/2007 05/11/2007 05/14/2007 05/23/2007	2095 2241 2301 1134 2593 2614 2616 2637 2638 2673	12/5 Delivers Invoice #166579 Gravel Delivery Material Delivery	-1,697.08 -2,120.89 -703.12	-1,697.08 -2,120.89 -703.12	-1,467.99		-154,375.00

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Brown Builders Supply Corp.	Bill Pmt -Check	06/27/2007	2823					-394.23	
Brown Builders Supply Corp.	Check	06/29/2007	2840	6/28/07				-511.52	
Brown Builders Supply Corp.	Bill Pmt -Check	07/16/2007	2923					-620.82	
Brown Builders Supply Corp.	Check	07/23/2007	2943	Invoice #170839				-713.57	
Brown Builders Supply Corp.	Bill Pmt -Check	08/13/2007	3014					-267.60	
Brown Builders Supply Corp.	Check	08/15/2007	3016	Invoice 171630				-533.03	
Brown Builders Supply Corp.	Check	08/27/2007	3069	Invoice #172011				-174.20	
Building Studio	Check	03/13/2006	R-1524	Architectural	-15,500.00	-15,500.00			
Building Studio	Check	05/09/2006	R-1593	Architectural	-14,498.50	-14,498.50			
Building Studio	Check	05/16/2006	95	Alt - II - 06 - 186 Application	-756.50	-756.50			
Building Studio	Check	06/19/2006	1004	2006 - 68	-1,220.30	-1,220.30			
Building Studio	Check	06/26/2006	1007	Front For Survey	-5,000.00	-5,000.00			
Building Studio	Check	07/18/2006	1009	Deposit for Phase 2	-6,306.00	-6,306.00			
Building Studio	Check	09/06/2006	1067	2006-96	-41,831.40	-41,831.40			
Building Studio	Check	09/06/2006	1068	Inv 2006-93	-15,656.70	-15,656.70			
Building Studio	Check	11/15/2006	2065	Invoices: 06109-583 park 06121 - Phase 2	-86,230.26	-86,230.26			
Building Studio	Bill Pmt -Check	03/05/2007	2263		-50,039.66	-50,039.66			
Building Studio	Bill Pmt -Check	08/24/2007	3051					-40,000.00	
Building Studio	Bill Pmt -Check	10/12/2007	3294					-20,000.00	
Capri Cork	Bill Pmt -Check	05/02/2007	2592	C 460					
Capri Cork	Bill Pmt -Check	07/13/2007	2914	C 480					
C. J. Anderson & Co.	Check	02/23/2007	1133	Deposit Elevator Controls #07132R4	-5,742.50	-5,742.50			
C. J. Anderson & Co.	Check	06/29/2007	2855					-11,000.00	
Capital Printing Systems Inc.	Check	11/13/2006	2054	Invoice #A28503R	-1,542.18	-1,542.18			
Carter Management Corp.	Check	03/29/2006	R-1473	Deposit					
Carter Management Corp.	Check	04/18/2006	R-1589	2nd Payment	-10,000.00	-10,000.00			
Carter Management Corp.	Check	06/19/2006	1005	3rd Payment	-10,000.00	-10,000.00			
Carter Management Corp.	Check	08/23/2006	1037	Completion of Project Phase II	-20,000.00	-20,000.00			
Chuck Hettinger Studio, Inc.	Bill Pmt -Check	04/17/2007	2553	Dome, guided molding					
Chuck Hettinger Studio, Inc.	Bill Pmt -Check	04/20/2007	2572	Dome, guided molding					
Chuck Hettinger Studio, Inc.	Bill Pmt -Check	05/03/2007	2594	Dome, guided molding					
Chuck Hettinger Studio, Inc.	Bill Pmt -Check	05/15/2007	2640						
Chuck Hettinger Studio, Inc.	Check	07/09/2007	2885	Payment 2 of 5					
Chuck Hettinger Studio, Inc.	Check	08/01/2007	2961	Payment 3					
Chuck Hettinger Studio, Inc.	Check	11/09/2007	3481						
								-20,000.00	
								-23,800.00	
								-1,000.00	
								-1,000.00	
								-2,000.00	

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Clevenger Frable Lavallee, Inc.	Check	06/01/2006	98	Kitchen Consulting Deposit					
Clevenger Frable Lavallee, Inc.	Check	09/06/2006	1039	Invoice No 10071	-5,000.00	-5,000.00			
Clevenger Frable Lavallee, Inc.	Check	11/13/2006	2051	Invoice #100710	-4,421.04	-4,421.04			
Clevenger Frable Lavallee, Inc.	Accounts Payable			Accounts Payable	-4,015.40	-4,015.40			-1,452.08
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	03/13/2007	2278	Prop #17482-00 30% of contract					
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	05/22/2007	2644	Prop #17482-00	-18,247.50	-18,247.50			
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	08/20/2007	3033	Prop #17482-00				-25,000.00	
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	09/12/2007	3108	Prop #17482-00				-5,000.00	
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	09/28/2007	3205	Prop #17482-00				-5,000.00	
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	10/05/2007	3254	Prop #17482-00				-2,000.00	
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	11/13/2007	3472	Prop #17482-00				-2,000.00	
Colgate Scaffolding & Equipt. Corp.	Bill Pmt -Check	12/14/2007	3615	Prop #17482-00				-5,000.00	
Colgate Scaffolding & Equipt. Corp.	Accounts Payable			Accounts Payable		-48,262.19		-500.00	
Colgate Scaffolding & Equipt. Corp.	Accounts Payable			Accounts Payable					-3,762.19
Conner Pollack Productions	Bill Pmt -Check	02/26/2007	2236						
Conner Pollack Productions	Bill Pmt -Check	03/26/2007	2509		-4,457.46	-4,457.46			
Conner Pollack Productions	Bill Pmt -Check	04/12/2007	2544	Ceiling pieces	-10,454.54	-10,454.54			
Conner Pollack Productions	Bill Pmt -Check	05/10/2007	2622				-720.00		
Conner Pollack Productions	Bill Pmt -Check	06/19/2007	2786					-4,457.46	
Conner Pollack Productions	Check	07/13/2007	2912					-415.00	
Conner Pollack Productions	Check	08/28/2007	3070	Est. 528 30% deposit				-770.00	
Conner Pollack Productions	Check	09/17/2007	3143	Invoice #608				-1,341.00	
Conner Pollack Productions								-3,859.00	
Conserve Electrical Supply	Bill Pmt -Check	11/02/2007	3433	Opening balance					
Conserve Electrical Supply	Bill Pmt -Check	11/21/2007	3538					-608.63	
Conserve Electrical Supply	Accounts Payable			Accounts Payable				-804.68	
Contego International	Check	03/28/2007	2514						
Contego International	Check	10/12/2007	3278				-890.00		
Contego International									-1,030.41
Delete Construction, Inc.	Check	08/08/2006	1020	Probe Work 58301					
Delete Construction, Inc.	Check	08/16/2006	1028	Invoice 58302	-5,979.82	-5,979.82			
Delete Construction, Inc.	Check	09/06/2006	1062	58304	-3,872.96	-3,872.96			
Delete Construction, Inc.	Check	09/14/2006	1076	Deposit For Demo Start Up	-3,996.91	-3,996.91			
Delete Construction, Inc.	Check	09/26/2006	1088	Progress payment	-5,000.00	-5,000.00			
Delete Construction, Inc.	Bill Pmt -Check	10/02/2006	1104		-5,000.00	-5,000.00			
Delete Construction, Inc.	Bill Pmt -Check	10/11/2006	1115		-9,992.24	-9,992.24			
Delete Construction, Inc.	Bill Pmt -Check	10/11/2006	1116		-4,430.66	-4,430.66			
Delete Construction, Inc.	Bill Pmt -Check				-4,800.00	-4,800.00			

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Delete Construction, Inc.	Bill Pmt -Check	10/19/2006	2020		-6,728.66	-6,728.66			
Delete Construction, Inc.	Bill Pmt -Check	10/31/2006	1302		-16,220.23	-16,220.23			
Delete Construction, Inc.	Bill Pmt -Check	11/13/2006	2058		-5,400.00	-5,400.00			
Delete Construction, Inc.	Bill Pmt -Check	11/17/2006	2076		-18,335.74	-18,335.74			
Delete Construction, Inc.	Bill Pmt -Check	12/01/2006	2089		-8,040.27	-8,040.27			
Delete Construction, Inc.	Bill Pmt -Check	12/14/2006	2107		-10,379.53	-10,379.53			
Delete Construction, Inc.	Bill Pmt -Check	01/05/2007	2154		-22,873.45	-22,873.45			
Delete Construction, Inc.	Bill Pmt -Check	01/25/2007	2177		-26,182.06	-26,182.06			
Delete Construction, Inc.	Bill Pmt -Check	02/08/2007	2207		-20,945.10	-20,945.10			
Delete Construction, Inc.	Bill Pmt -Check	02/23/2007	1132		-24,396.76	-24,396.76			
Delete Construction, Inc.	Bill Pmt -Check	03/13/2007	2279		-48,647.00	-48,647.00			
Delete Construction, Inc.	Bill Pmt -Check	03/29/2007	2516				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	04/11/2007	2537				-31,771.91		
Delete Construction, Inc.	Bill Pmt -Check	04/25/2007	2577				-35,000.00		
Delete Construction, Inc.	Bill Pmt -Check	05/03/2007	2597				-25,000.00		
Delete Construction, Inc.	Bill Pmt -Check	05/10/2007	2630				-30,000.00		
Delete Construction, Inc.	Bill Pmt -Check	05/17/2007	2655				-30,000.00		
Delete Construction, Inc.	Bill Pmt -Check	05/25/2007	2682				-35,000.00		
Delete Construction, Inc.	Bill Pmt -Check	06/01/2007	2716				-20,000.00		
Delete Construction, Inc.	Bill Pmt -Check	06/08/2007	2754				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	06/14/2007	2774				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	06/22/2007	2790				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	06/29/2007	2851				-25,000.00		
Delete Construction, Inc.	Bill Pmt -Check	07/13/2007	2905				-35,000.00		
Delete Construction, Inc.	Bill Pmt -Check	07/20/2007	2936				-25,000.00		
Delete Construction, Inc.	Bill Pmt -Check	07/26/2007	2946				-20,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/03/2007	2980				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/03/2007	2981				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/10/2007	1501				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/10/2007	1502				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/17/2007	3019				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/17/2007	3020				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/24/2007	3058				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/24/2007	3059				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/30/2007	3076				-20,000.00		
Delete Construction, Inc.	Bill Pmt -Check	08/30/2007	3077				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	09/06/2007	3109				-25,000.00		
Delete Construction, Inc.	Bill Pmt -Check	09/06/2007	3110				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	09/14/2007	3131				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	09/21/2007	3152				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	09/28/2007	3207				-10,000.00		
Delete Construction, Inc.	Bill Pmt -Check	10/05/2007	3249				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	10/12/2007	3282				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	10/19/2007	3326				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	10/26/2007	3362				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	11/02/2007	3407				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	11/09/2007	3447				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	11/16/2007	3513				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	11/21/2007	3522				-15,000.00		
Delete Construction, Inc.	Bill Pmt -Check	12/03/2007	3555				-15,000.00		

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Delete Construction, Inc.	Bill Pmt -Check	12/07/2007	3591					-15,000.00	
Delete Construction, Inc.	Bill Pmt -Check	12/14/2007	3618					-8,000.00	
Delete Construction, Inc.	Bill Pmt -Check	12/27/2007	3671					-10,000.00	
Delete Construction, Inc.	Bill Pmt -Check	01/04/2008	3687					-6,000.00	
Delete Construction, Inc.	Bill Pmt -Check	01/11/2008	3696					-5,000.00	
Delete Construction, Inc.	Bill Pmt -Check	02/08/2008	3761					-1,000.00	
	Accounts Payable			Accounts Payable					-244,279.69
Dependable Glass & Mirror Corp.	Bill Pmt -Check	09/24/2007	3170					-7,518.00	
Dig Eh LLC	Check	02/08/2007	2210	Essex House Equipment	-500.00	-500.00			
Dig Eh LLC	Check	03/13/2007	2274	Essex House Auction	-500.00	-500.00			
Dimension Designs LLC	Bill Pmt -Check	05/29/2007	2702					-3,209.25	
Dimension Designs LLC	Check	06/08/2007	2748					-3,039.10	
Dimension Designs LLC	Bill Pmt -Check	10/12/2007	3301					-5,883.36	
Double K Electric Corp.	Bill Pmt -Check	04/20/2007	2570				-15,000.00		
Double K Electric Corp.	Bill Pmt -Check	04/25/2007	2576				-70,000.00		
Double K Electric Corp.	Bill Pmt -Check	05/03/2007	2596					-40,000.00	
Double K Electric Corp.	Bill Pmt -Check	05/16/2007	2646					-100,000.00	
Double K Electric Corp.	Bill Pmt -Check	05/25/2007	2699	Estimate of total project cost per JG				-50,000.00	
Double K Electric Corp.	Bill Pmt -Check	06/08/2007	2751	Estimate of total project cost per JG				-50,000.00	
Double K Electric Corp.	Bill Pmt -Check	06/15/2007	2780	Estimate of total project cost per JG				-75,000.00	
Double K Electric Corp.	Bill Pmt -Check	06/22/2007	2797	Estimate of total project cost per JG				-70,000.00	
Double K Electric Corp.	Bill Pmt -Check	06/29/2007	2854	Estimate of total project cost per JG				-35,000.00	
Double K Electric Corp.	Bill Pmt -Check	07/20/2007	2939	Estimate of total project cost per JG				-100,000.00	
Double K Electric Corp.	Bill Pmt -Check	08/03/2007	2983	Estimate of total project cost per JG				-16,282.00	
Double K Electric Corp.	Bill Pmt -Check	08/10/2007	3011	Estimate of total project cost per JG				-20,000.00	
Double K Electric Corp.	Bill Pmt -Check	08/17/2007	3030	Estimate of total project cost per JG				-15,000.00	
Double K Electric Corp.	Bill Pmt -Check	09/14/2007	3136	Estimate of total project cost per JG				-15,000.00	
Double K Electric Corp.	Bill Pmt -Check	09/28/2007	3206	Estimate of total project cost per JG				-5,000.00	
Double K Electric Corp.	Bill Pmt -Check	10/04/2007	3233	Estimate of total project cost per JG				-15,000.00	

TRANSACTION LIST BY VENDOR

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Double K Electric Corp.	Bill Pmt -Check	10/12/2007	3286	Estimate of total project cost per JG				-10,000.00	
Double K Electric Corp.	Bill Pmt -Check	10/19/2007	3327					-10,000.00	
Double K Electric Corp.	Bill Pmt -Check	11/02/2007	3418					-15,000.00	
Double K Electric Corp.	Bill Pmt -Check	11/09/2007	3450					-10,000.00	
Double K Electric Corp.	Bill Pmt -Check	11/16/2007	3514					-10,000.00	
Double K Electric Corp.	Bill Pmt -Check	11/21/2007	3523					-10,000.00	
Double K Electric Corp.	Bill Pmt -Check	12/07/2007	3595					-15,000.00	
Double K Electric Corp.	Bill Pmt -Check	12/14/2007	3619					-8,000.00	
Double K Electric Corp.	Bill Pmt -Check	01/11/2008	3697	Estimate of total project cost per JG				-4,000.00	
Double K Electric Corp.	Bill Pmt -Check	02/08/2008	3762	Estimate of total project cost per JG	-750.00				
Double K Electric Corp.	Bill	03/23/2007		Inv. #1245	-812.81			-1,250.00	
Double K Electric Corp.	Accounts Payable			Accounts Payable		-80,000.00			-98,468.00
East NY Hardware	Check	04/11/2007	2539				-2,162.08		
Edge Lab Inc.	Check	08/07/2006	1021			-750.00			
Edge Lab Inc.	Check	09/18/2006	1064			-812.81			
Elevator Doors, Inc.	Check	02/26/2007	2234		-1,850.00	-1,850.00			
Everglades Technologies, LLC	Bill Pmt -Check	07/20/2007	2940	Networking Deposit					
Everglades Technologies, LLC	Accounts Payable			Accounts Payable				-14,856.45	-15,444.38
Excise Bond Underwriter	Check	06/10/2006	2227	Counter Check	-75.00	-75.00			
Floor Tile Specialists, Inc.	Bill Pmt -Check	03/30/2007	2525				-7,500.00		
Floor Tile Specialists, Inc.	Bill Pmt -Check	10/17/2007	3313					-8,070.00	
Floor Tile Specialists, Inc.	Bill Pmt -Check	12/04/2007	3563					-12,500.00	
Floor Tile Specialists, Inc.	Bill Pmt -Check	01/11/2008	3700					-5,000.00	
Floor Tile Specialists, Inc.	Bill Pmt -Check	02/08/2008	3764					-1,250.00	
Floor Tile Specialists, Inc.	Accounts Payable			Accounts Payable					-40,680.00
Gluck New York	Accounts Payable			Accounts Payable					-2,415.00
Grand Metal Works	Check	10/13/2006	2000	Delivery	-85.00	-85.00			
Grand Metal Works	Check	10/13/2006	2001		-600.00	-600.00			

THE TRUSS GROUP, LLC DBA: 303 PARK AVENUE
Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/6/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Grand Metal Works	Check	10/16/2006	2006	Painted Alum. Pannel & Engraved Sample Sign	-3,300.00	-3,300.00			
Grand Metal Works	Check	11/13/2006	2052	Invoice #114	-1,000.00	-1,000.00			
Grand Metal Works	Check	11/15/2006	2067	Invoice #115	-800.00	-800.00			
Grand Metal Works	Check	02/27/2007	2240	Retainer Iron Rolling mock up	-5,000.00	-5,000.00			
Grand Metal Works	Bill Pmt -Check	03/19/2007	2289		-6,435.00	-6,435.00			
Grand Metal Works	Bill Pmt -Check	04/05/2007	2530				-4,218.00		
Grand Metal Works	Bill Pmt -Check	04/09/2007	2534				-1,880.00		
Grand Metal Works	Bill Pmt -Check	04/20/2007	2559				-1,218.00		
Grand Metal Works	Check	05/04/2007	1138						
Grand Metal Works	Bill Pmt -Check	05/04/2007	1139						
Grand Metal Works	Check	05/09/2007	2613						
Grand Metal Works	Check	06/29/2007	2846						
Grand Metal Works	Check	07/18/2007	2925	Completed polishing, Aluminum plate fitting					
Grand Metal Works	Check	07/26/2007	2954	Invoice #128					
Grand Metal Works	Check	08/16/2007	3017	Invoice 158					
Grand Metal Works	Check	09/28/2007	3219	Invoice #129					
Grand Metal Works	Check	10/03/2007	3232	Signage					
Grand Metal Works	Bill Pmt -Check	10/09/2007	3267						
Grand Metal Works	Check	10/12/2007	3293	inv 133					
Grand Metal Works	Bill Pmt -Check	10/26/2007	3371	inv #134					
Greenberg Traurig	Bill Pmt -Check	03/23/2007	2506						
Greenberg Traurig	Bill Pmt -Check	05/10/2007	2620		-15,000.00	-15,000.00			
Greenberg Traurig	Bill Pmt -Check	05/16/2007	2645						
Greenberg Traurig	Bill Pmt -Check	07/16/2007	2922						
Greenberg Traurig	Bill Pmt -Check	08/09/2007	2998						
Greenberg Traurig	Bill Pmt -Check	08/30/2007	3074						
Greenberg Traurig	Bill Pmt -Check	10/02/2007	3228						
Greenberg Traurig	Bill Pmt -Check	11/09/2007	3458						
Greenberg Traurig	Bill Pmt -Check	11/16/2007	3516						
Greenberg Traurig	Bill Pmt -Check	11/21/2007	3540						
Greenberg Traurig	Bill Pmt -Check	12/07/2007	3582						
Greenberg Traurig	Bill Pmt -Check	12/14/2007	3616						
Greenberg Traurig	Bill Pmt -Check	02/08/2008	3765						
Greenberg Traurig	Accounts Payable			Accounts Payable					
									-156,019.57
Hagedorn & Company	Check	03/06/2006	R-1500	Insurance					
Hagedorn & Company	Check	03/27/2006	91	Insurance Premium	-400.00	-400.00			
Hagedorn & Company	Check	07/18/2006	1010		-854.25	-854.25			
Hagedorn & Company	Check	10/12/2006	1125	Workman's Comp Service Fee	-2,500.00	-2,500.00			
Hagedorn & Company	Check	10/17/2006	2009	Invoice #7785	-112.38	-112.38			
Hagedorn & Company	Bill Pmt -Check	07/02/2007	2865		-302.00	-302.00			
Hagedorn & Company	Bill Pmt -Check	07/16/2007	2920						
Hagedorn & Company	Accounts Payable			Accounts Payable					
									-100.00

Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Handi Lift, Inc.	Bill Pmt -Check	08/21/2007	3042	Accounts Payable					
Handi Lift, Inc.	Accounts Payable							-11,050.00	-11,050.00
Heavy Construction Lumber	Check	10/16/2006	2005	Lumber	-655.67	-655.67			
Heavy Construction Lumber	Check	10/24/2006	2029	Delivery 10/25/06	-750.61	-750.61			
Heavy Construction Lumber	Check	11/09/2006	2032	Invoice #27146, delivery 11/9	-609.07	-609.07			
Heavy Construction Lumber	Check	12/20/2006	2111	Invoice #27477	-692.52	-692.52			
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	03/13/2007	2280	Third Church Proposal	-10,000.00	-10,000.00			
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	09/28/2007	3208	Landmark Consulting				-2,000.00	-2,000.00
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	11/13/2007	3479	Landmark Consulting				-2,000.00	-2,000.00
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	11/21/2007	3542	Landmark Consulting				-2,000.00	-2,000.00
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	12/07/2007	3583	Landmark Consulting				-2,000.00	-2,000.00
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	12/17/2007	3640	Landmark Consulting				-2,000.00	-2,000.00
Higgins Quasebarth & Partners LLC	Bill Pmt -Check	02/08/2008	3766	Landmark Consulting				-250.00	-32,157.52
Higgins Quasebarth & Partners LLC	Accounts Payable			Accounts Payable					
Hole Cutting Inc.	Check	02/08/2007	2208	Invoice #22302	-5,256.19	-5,256.19			
Hole Cutting Inc.	Check	02/26/2007	2235		-2,750.00	-2,750.00			
Hole Cutting Inc.	Check	03/19/2007	2290	Balance Invoice 22308	-200.00	-200.00			
Howard Shapiro & Associates P.C.	Check	09/28/2006	1097					-353.75	
Howard Shapiro & Associates P.C.	Check	03/19/2007	2300	Invoice #08696	-750.00	-750.00			
Howard Shapiro & Associates P.C.	Bill Pmt -Check	04/20/2007	2560		-392.30	-392.30			
Howard Shapiro & Associates P.C.	Check	10/05/2007	3252				-641.60		
Hyde Park Mouldings	Check	02/21/2007	2230						
Hyde Park Mouldings	Bill Pmt -Check	04/20/2007	2567		-6,017.57	-6,017.57			
Hyde Park Mouldings	Check	06/11/2007	2758	Balance of invoice 14347			-2,200.00		
Hyde Park Mouldings	Bill Pmt -Check	06/13/2007	2766					-12,211.40	
Hyde Park Mouldings	Accounts Payable			Accounts Payable				-2,875.00	
International Fire Proof Door Corp	Accounts Payable			Accounts Payable					-1,987.50
Joe Gardella	Check	06/19/2006	1001	#583 P001	-13,771.10	-13,771.10			
Joe Gardella	Check	07/20/2006	1013	583P002	-4,728.50	-4,728.50			
Joe Gardella	Check	08/16/2006	1029	583P003	-6,568.97	-6,568.97			
Joe Gardella	Check	09/06/2006	1069	583P004	-11,483.09	-11,483.09			
Joe Gardella	Check	09/26/2006	1085		-8,993.70	-8,993.70			

ine Rose Group, LLC DBA: 583 Park Avenue
Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Joe Gardella	Check	10/24/2006	2028	invoice #583P007	-14,624.23	-14,624.23			
Joe Gardella	Check	11/15/2006	2075	Invoice #583P008	-11,952.34	-11,952.34			
Joe Gardella	Check	12/14/2006	2105	Invoice #583P009	-15,932.61	-15,932.61			
Joe Gardella	Check	01/12/2007	2169	Invoice #583P010	-13,476.07	-13,476.07			
Joe Gardella	Check	01/29/2007	2186	Partial Invoice #583P011	-2,000.00	-2,000.00			
Joe Gardella	Check	02/01/2007	2212	Re-issue Invoice 583P011	-9,223.36	-9,223.36			
Joe Gardella	Check	03/05/2007	2264	Invoice #583P013	-15,185.00	-15,185.00			
Joe Gardella	Bill Pmt -Check	03/30/2007	2524				-9,300.00		
Joe Gardella	Bill Pmt -Check	04/02/2007	2527				-9,300.00		
Joe Gardella	Bill Pmt -Check	04/25/2007	2578				-17,914.98		
Joe Gardella	Bill Pmt -Check	05/22/2007	2671					-23,555.78	
Joe Gardella	Bill Pmt -Check	06/22/2007	2794	June Invoice				-23,383.21	
Joe Gardella	Bill Pmt -Check	07/24/2007	2944	Invoice #583P018				-20,845.12	
Joe Gardella	Check	08/21/2007	3044	Partial Invoice #583P019				-24,583.46	
Joe Gardella	Check	09/28/2007	3198					-15,000.00	
Joe Gardella	Check	10/05/2007	3258	Invoice # 583P020				-16,163.97	
Joe Gardella	Bill Pmt -Check	10/25/2007	1509					-17,382.20	
Joe Gardella	Bill Pmt -Check	12/03/2007	3556					-14,205.36	
Joe Gardella	Bill Pmt -Check	01/04/2008	3690					-7,000.00	
Joe Gardella	Bill Pmt -Check	01/18/2008	3711					-2,414.00	
Kenseal Construction Prod Corp.	Bill Pmt -Check	03/20/2007	2304		-1,621.89	-1,621.89		-499.07	
Kenseal Construction Prod Corp.	Check	07/19/2007	2930	invoice #031644					
Kleen Construction LLC	Bill Pmt -Check	03/26/2007	2510	Consult Vault ceiling	-480.00	-480.00			
L & L Ornamental Railings	Bill Pmt -Check	08/22/2007	3047					-3,535.00	
L & L Ornamental Railings	Bill Pmt -Check	10/05/2007	3255					-4,945.31	
L & L Ornamental Railings	Bill Pmt -Check	10/12/2007	3288					-4,945.30	
Lapietra Machinery & Equipment	Bill Pmt -Check	04/11/2007		Cashier's Check			-5,310.00		
LaVecchia Surface Preparation	Bill Pmt -Check	11/15/2007	3482						
LaVecchia Surface Preparation	Bill Pmt -Check	01/11/2008	3699	Prepare Floors for Cork in Arcade				-1,500.00	
LaVecchia Surface Preparation	Bill Pmt -Check	02/08/2008	3769					-4,000.00	
LaVecchia Surface Preparation	Accounts Payable			Accounts Payable				-350.00	
Lexington Hardware	Check	10/11/2006	1112	Sept.	-381.01	-381.01			-2,450.00
Lexington Hardware	Check	11/28/2006	2087	Billing Date 10/28/06	-2,055.91	-2,055.91			
Lexington Hardware	Check	02/09/2007	2216		-1,000.00	-1,000.00			
Lexington Hardware	Check	03/02/2007	2257		-1,500.00	-1,500.00			
Lexington Hardware	Check	04/04/2007	2529				-1,000.00		

THE ROSE GROUP, LLC DBA: 583 Park Avenue
Transaction List by Vendor

02/14/08

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Lexington Hardware	Bill Pmt -Check	06/06/2007	2732	Partial Due over 90 days				-3,985.26	
Lexington Hardware	Check	09/13/2007	3118					-684.79	
Lexington Hardware	Bill Pmt -Check	11/13/2007	3474					-1,500.00	
Lexington Hardware	Bill Pmt -Check	12/07/2007	3597					-1,240.05	
Lexington Hardware	Bill Pmt -Check	02/08/2008	3770					-500.00	
	Accounts Payable			Accounts Payable					-4,949.38
Liberty Contracting Corp.	Bill Pmt -Check	11/13/2006	2056						
Liberty Contracting Corp.	Bill Pmt -Check	01/02/2007	2142		-39,810.00	-39,810.00			
Liberty Contracting Corp.	Bill Pmt -Check	03/02/2007	2249		-50,000.00	-50,000.00			
Liberty Contracting Corp.	Bill Pmt -Check	05/16/2007	2642	Demo -bin rentals	-25,000.00	-25,000.00			
Liberty Contracting Corp.	Bill Pmt -Check	07/12/2007	2895					-10,000.00	
Liberty Contracting Corp.	Bill Pmt -Check	07/19/2007	2927					-10,000.00	
Liberty Contracting Corp.	Bill Pmt -Check	09/13/2007	3120					-10,200.00	
Liberty Contracting Corp.	Bill Pmt -Check	11/02/2007	3401					-15,000.00	
Liberty Contracting Corp.	Bill Pmt -Check	12/17/2007	3676					-5,000.00	
Liberty Contracting Corp.	Bill Pmt -Check	02/08/2008	3771	Carting & Demolition				-2,500.00	
	Accounts Payable			Accounts Payable				-500.00	-21,867.00
Mandel Resnik LLP	Check	02/08/2006	R-	Legal	-54,803.21	-54,803.21			
Master Communications, Inc.	Check	03/30/2007	2526				-541.85	-162.56	
Master Communications, Inc.	Bill Pmt -Check	05/08/2007	2609					-3,917.23	
Master Communications, Inc.	Check	10/23/2007	3337	Invoice 1235, 1234; dep. #1243				-112.91	
Master Communications, Inc.	Check	11/13/2007	1512	Telephone Equipment				-500.00	
Master Communications, Inc.	Bill Pmt -Check	02/08/2008	3772						-7,356.83
	Accounts Payable			Accounts Payable					
Mensch Mill & Lumber Corp.	Bill Pmt -Check	04/12/2007	2543	Deposit Doors			-8,620.14		
Mensch Mill & Lumber Corp.	Bill Pmt -Check	09/17/2007	3144	Doors				-9,701.71	
Metal Dimensions, LLC	Check	08/03/2007	2985	Proposal 888 rev.				-22,133.11	
Metal Dimensions, LLC	Check	09/05/2007	1505					-8,000.00	
Metal Dimensions, LLC	Check	10/12/2007	3279					-10,000.00	
Metal Dimensions, LLC	Check	11/02/2007	3410					-15,000.00	
Metal Dimensions, LLC	Check	11/09/2007	3454					-11,266.89	
MRI Construction of New York, Inc.	Bill Pmt -Check	05/10/2007	2625					-5,000.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	05/25/2007	2687					-5,000.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	06/08/2007	2756					-11,800.00	
MRI Construction of New York, Inc.	Check	06/14/2007	2778					-4,000.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	06/22/2007	2795					-5,000.00	

THE NUSE GROUP, LLC DBA: 583 Park Avenue
Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07 to date	Accounts Payable as of 2/14/08
MRI Construction of New York, Inc.	Check	06/29/2007	2850				-7,000.00	
MRI Construction of New York, Inc.	Check	07/13/2007	2906				-11,000.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	08/30/2007	3079				-2,500.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	09/09/2007	1507				-2,500.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	09/14/2007	3137				-3,000.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	09/21/2007	3162				-2,000.00	
MRI Construction of New York, Inc.	Check	10/05/2007	3250				-1,200.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	10/26/2007	3370	inv#07214			-2,840.52	
MRI Construction of New York, Inc.	Bill Pmt -Check	11/02/2007	3406				-2,100.00	
MRI Construction of New York, Inc.	Bill Pmt -Check	12/07/2007	3592				-700.00	
	Accounts Payable			Accounts Payable				-2,500.00
N.Y.C. Water Works	Check	01/25/2007	2180	Deposit on Proposal Dated 1/16/07				
N.Y.C. Water Works	Bill Pmt -Check	05/10/2007	2624	Balance on installation	-12,000.00	-12,000.00	-11,875.00	
N.Y.C. Water Works	Bill Pmt -Check	08/03/2007	2986				-2,000.00	
N.Y.C. Water Works	Bill Pmt -Check	01/30/2008	3740				-1,975.00	
N.Y.C. Water Works	Bill	03/23/2007	2007031	Balance on installation	-11,875.00	-11,875.00		
New York Gypsum Floors Inc.	Check	03/05/2007	2265		-7,965.00	-7,965.00	-3,100.00	
New York Gypsum Floors Inc.	Bill Pmt -Check	06/12/2007	2760					
New York State Insurance Fund	Check	08/23/2006	1038	L1458513-7	-2,950.86	-2,950.86		
New York State Insurance Fund	Check	02/02/2007	2199	Bill #11925673	-1,469.95	-1,469.95		
New York State Insurance Fund	Bill Pmt -Check	03/22/2007	2501	Workers' Comp	-441.17	-441.17		
New York State Insurance Fund	Bill Pmt -Check	08/02/2007	2971				-462.68	
New York State Insurance Fund	Bill Pmt -Check	10/05/2007	3241				-925.36	
New York State Insurance Fund	Bill Pmt -Check	12/17/2007	3630				-452.67	
	Accounts Payable			Accounts Payable				-925.35
Northstar Ready Mix Corp.	Check	05/21/2007	2665	Concrete				
Northstar Ready Mix Corp.	Bill Pmt -Check	05/29/2007	2701				-487.69	
Northstar Ready Mix Corp.	Bill Pmt -Check	06/29/2007	2856				-623.16	
Northstar Ready Mix Corp.	Bill Pmt -Check	08/14/2007	3012				-541.88	
							-1,180.91	
NYC Department of Transportation	Check	09/28/2006	1098	Lane Closing Sidewalk Crossing Material Storage	-550.00	-550.00		
NYC Department of Transportation	Check	10/31/2006	1301	DOT Permits Job no:06418.00.00	-430.00	-430.00		
NYC Department of Transportation	Check	01/31/2007	2188	permit renewal	-350.00	-350.00		
NYC Department of Transportation	Check	01/31/2007	2189	Material storage permit renewal	-140.00	-140.00		
NYC Department of Transportation	Check	02/17/2007	1131		-82.91	-82.91		
NYC Department of Transportation	Check	03/19/2007	2292	Material Storage Permit Renewal	-50.00	-50.00		
NYC Department of Transportation	Check	03/19/2007	2293	Material Storage Permit Renewal	-30.00	-30.00		
NYC Department of Transportation	Check	03/19/2007	2294	Material Storage Permit Renewal	-30.00	-30.00		

Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07-4/28/07 to date	Accounts Payable as of 2/14/08
NYC Department of Transportation	Check	03/19/2007	2295	Material Storage Permit Renewal	-30.00	-30.00		
NYC Department of Transportation	Check	03/19/2007	2296	Crossing Sidewalk Permit Renewal	-50.00	-50.00		-50.00
NYC Department of Transportation	Check	03/19/2007	2297	Generator Permit Renewal	-50.00	-50.00		-30.00
NYC Department of Transportation	Check	03/19/2007	2298	Occupancy of Roadway Permit Renewal	-50.00	-50.00		-50.00
NYC Department of Transportation	Check	03/19/2007	2299	40 Mini Containers Permit Renewal	-200.00	-200.00		-200.00
NYC Department of Transportation	Check	06/27/2007	2825	Material Storage Permit				-50.00
NYC Department of Transportation	Check	06/27/2007	2826	Material Storage Permit				-30.00
NYC Department of Transportation	Check	06/27/2007	2829	Crossing Sidewalk Permit				-50.00
NYC Department of Transportation	Check	06/27/2007	2831	Generator Permit				-50.00
NYC Department of Transportation	Check	06/27/2007	2834	40 Mini Container Permit				-200.00
NYC Department of Transportation	Check	06/27/2007	2835	Occupancy of Roadway Permit				-50.00
NYC Department of Transportation	Check	07/12/2007	2896	Material Storage				-50.00
NYC Department of Transportation	Check	07/12/2007	2897	Material Storage				-30.00
NYC Department of Transportation	Check	07/12/2007	2898	Material Storage				-30.00
NYC Department of Transportation	Check	07/12/2007	2899	Material Storage				-30.00
NYC Department of Transportation	Check	07/12/2007	2900	Crossing Sidewalk				-30.00
NYC Department of Transportation	Check	07/12/2007	2901	Generator				-50.00
NYC Department of Transportation	Check	07/12/2007	2902	Occupancy of Roadway				-50.00
NYC Department of Transportation	Check	07/12/2007	2903	40 Mini containers				-200.00
NYC Department of Transportation	Check	09/04/2007	3101					-100.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3643					-50.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3644					-50.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3645					-50.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3646					-30.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3647					-30.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3648	Crossing Sidewalk Permit				-30.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3649	Generator Permit				-50.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3650	Occupancy of Roadway Permit				-50.00
NYC Department of Transportation	Bill Pmt -Check	12/20/2007	3651	40 Mini Containers Permit				-200.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3727	Material Storage				-50.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3728					-50.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3729	Material Storage				-30.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3730					-30.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3731					-30.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3732	Occupancy of Roadway				-50.00
NYC Department of Transportation	Bill Pmt -Check	01/25/2008	3733	10 Mini Containers				-50.00
O.C.D. Industries Inc.	Bill Pmt -Check	03/26/2007	2508	Panels for Arcade, Partial of E119	-6,517.50	-6,517.50		
O.C.D. Industries Inc.	Bill Pmt -Check	04/23/2007	2574	Panels for Arcade		-6,517.50		
O.C.D. Industries Inc.	Check	05/25/2007	2695	Final Payment Invoice 1069			-9,000.00	-8,232.50
O.C.D. Industries Inc.	Check	06/01/2007	2718	May Payment				-8,640.00
O.C.D. Industries Inc.	Check	06/08/2007	2755					-6,180.00
O.C.D. Industries Inc.	Bill Pmt -Check	06/14/2007	2773					-5,000.00
O.C.D. Industries Inc.	Check	06/22/2007	2796					-18,000.00

Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/06 - Payables as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
O.C.D. Industries Inc.	Check	06/29/2007	2849				-15,046.00	
O.C.D. Industries Inc.	Check	07/13/2007	2911				-10,000.00	
O.C.D. Industries Inc.	Check	07/20/2007	2938	Invoice 1086			-15,046.00	
O.C.D. Industries Inc.	Check	07/26/2007	2953	Invoice #1089			-11,250.00	
O.C.D. Industries Inc.	Check	08/03/2007	2982	Invoice 1090			-14,159.00	
O.C.D. Industries Inc.	Check	08/15/2007	3008				-15,000.00	
O.C.D. Industries Inc.	Check	08/17/2007	3027	Invoice #1092			-8,470.00	
O.C.D. Industries Inc.	Check	08/24/2007	3061				-5,000.00	
O.C.D. Industries Inc.	Check	09/14/2007	3135				-15,000.00	
O.C.D. Industries Inc.	Check	09/18/2007	3112	Inv 1100			-8,000.00	
O.C.D. Industries Inc.	Check	09/21/2007	3161	Sept. Invoice Payment			-8,000.00	
O.C.D. Industries Inc.	Check	09/28/2007	3211	We 9/30			-2,000.00	
O.C.D. Industries Inc.	Check	10/05/2007	3251				-7,500.00	
O.C.D. Industries Inc.	Check	10/12/2007	3284				-7,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	10/19/2007	3332				-10,000.00	
O.C.D. Industries Inc.	Check	11/02/2007	3409				-15,000.00	
O.C.D. Industries Inc.	Check	11/09/2007	3451				-15,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	11/16/2007	3515				-15,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	11/21/2007	3524				-10,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	12/07/2007	3593				-15,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	12/14/2007	3620				-5,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	01/04/2008	3689				-4,000.00	
O.C.D. Industries Inc.	Bill Pmt -Check	02/08/2008	3773				-500.00	
O.C.D. Industries Inc.	Accounts Payable			Inv. E119	-13,232.50			
O.C.D. Industries Inc.	Accounts Payable			Accounts Payable				-56,020.24
Omega Environmental Services, Inc.	Check	02/15/2007	2221	Asbestos survey & preparation of specification Inv # 18073 ,11/30/06.	-2,920.00			
Omega Environmental Services, Inc.	Bill Pmt -Check	07/13/2007	2910				-5,000.00	
Omega Environmental Services, Inc.	Bill Pmt -Check	10/12/2007	3287				-2,522.00	
Paraco Roofing Corp.	Check	01/25/2007	2179	Invoice #1715	-7,750.00			
Perfect Aire, Inc.	Check	08/16/2006	1030	1298				
Perfect Aire, Inc.	Bill Pmt -Check	10/11/2006	1114	Initial Estimate per JG	-7,500.00			
Perfect Aire, Inc.	Bill Pmt -Check	11/20/2006	2081	Initial Estimate per JG	-12,000.00			
Perfect Aire, Inc.	Bill Pmt -Check	01/05/2007	2153	Initial Estimate per JG	-40,000.00			
Perfect Aire, Inc.	Bill Pmt -Check	01/29/2007	2176	Initial Estimate per JG	-46,500.00			
Perfect Aire, Inc.	Bill Pmt -Check	02/06/2007	2206	Initial Estimate per JG	-57,837.50			
Perfect Aire, Inc.	Bill Pmt -Check	02/15/2007	2222	Initial Estimate per JG	-57,837.50			
Perfect Aire, Inc.	Bill Pmt -Check	03/05/2007	2266	Initial Estimate per JG	-56,693.00			
Perfect Aire, Inc.	Bill Pmt -Check	03/13/2007	2277	Initial Estimate per JG	-56,693.00			
Perfect Aire, Inc.	Bill Pmt -Check	04/19/2007	2555	Payment 3/13/07	-135,000.00			
Perfect Aire, Inc.	Bill Pmt -Check	05/03/2007	2595	Payment 3/13/07		-50,000.00		
Perfect Aire, Inc.	Bill Pmt -Check	05/08/2007	2611	Initial Estimate per JG			-30,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	05/25/2007	2698	Payment 3/13/07			-50,000.00	
Perfect Aire, Inc.	Bill Pmt -Check			Initial Estimate per JG			-25,000.00	

Transaction List by Vendor

	Type	Date	Num	Memo	Payments 2/8/07 - 3/26/07	Payments & Payables as of 3/26/07	Payments 3/27/07 - 4/23/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Perfect Aire, Inc.	Bill Pmt -Check	06/08/2007	2752	Initial Estimate per JG				-25,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	06/14/2007	2777	Initial Estimate per JG				-25,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	07/13/2007	2918	Initial Estimate per JG				-15,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	07/26/2007	2949	Initial Estimate per JG				-50,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	08/10/2007	3010	Initial Estimate per JG				-20,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	10/05/2007	3259	Initial Estimate per JG				-10,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	10/19/2007	3328	Payment 3/13/07				-10,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	11/09/2007	3449	Payment 3/13/07				-15,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	12/07/2007	3596	Payment 3/13/07				-10,000.00	
Perfect Aire, Inc.	Bill Pmt -Check	02/08/2008	3774	Initial Estimate per JG				-750.00	
	Accounts Payable			Accounts Payable					-55,139.00
Pinnacle Environmental Corp.	Bill Pmt -Check	05/23/2007	2675	Invoice #8068					
Pinnacle Environmental Corp.	Bill Pmt -Check	08/02/2007	2968	Invoice #8068 payment 1 of 2				-25,000.00	
Pinnacle Environmental Corp.	Bill Pmt -Check	08/14/2007	3018	Invoice #8068				-12,000.00	
							-4,000.00		
Raised Computer Floors, Inc.	Bill Pmt -Check	04/20/2007	2568					-1,500.00	
Raised Computer Floors, Inc.	Bill Pmt -Check	10/19/2007	3329					-3,000.00	
Raised Computer Floors, Inc.	Bill Pmt -Check	11/02/2007	3405					-3,426.48	
Raised Computer Floors, Inc.	Bill Pmt -Check	11/09/2007	3457					-200.00	
Raised Computer Floors, Inc.	Bill Pmt -Check	11/15/2007	3483						
Restaurant-Market Equipment	Bill Pmt -Check	04/23/2007	2573						
Restaurant-Market Equipment	Check	08/02/2007	2966	Walk-in box installation			-500.00		
Restaurant-Market Equipment	Check	08/09/2007	2996					-10,000.00	
	Accounts Payable			Accounts Payable				-9,000.00	
									-1,500.00
Rigidized Metals, Corp	Check	10/12/2007	3290						
Rigidized Metals, Corp	Bill Pmt -Check	11/13/2007	3480	Building Supplies				-5,610.24	
								-2,831.60	
Rizwam Abdus Salam P.E.	Check	08/16/2006	1031	81106					
Rizwam Abdus Salam P.E.	Check	10/02/2006	1107	Invoice #81106-687		-4,000.00			
Rizwam Abdus Salam P.E.	Check	10/11/2006	1117	Invoice #81106-687-A		-5,000.00			
Rizwam Abdus Salam P.E.	Check	12/12/2006	2104	Invoice #687, 687-A, 687-B		-1,250.00			
Rizwam Abdus Salam P.E.	Check	03/07/2007	2267	Invoice #687		-3,550.00			
Rizwam Abdus Salam P.E.	Check	03/07/2007	2268	Invoice #687-A		-1,600.00			
Rizwam Abdus Salam P.E.	Check	03/07/2007	2269	Invoice #687-B		-150.00			
Rizwam Abdus Salam P.E.	Check	10/19/2007	3331	Construction		-1,800.00			
Rizwam Abdus Salam P.E.	Check	11/09/2007	3456						
Rotavale Elevator Inc.	Bill Pmt -Check	09/29/2006	1086	Elevator Repair				-750.00	
Rotavale Elevator Inc.	Bill Pmt -Check	07/18/2007	2924	Elevator Repair				-2,000.00	
						-12,750.00			
									-21,250.00

Transaction List by Vendor

	Type	Date	Numb	Memo	Payments 2/8/06 - 3/28/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Rotavale Elevator Inc.	Bill Pmt -Check	08/24/2007	3063	Elevator Repair			-10,000.00	
Rotavale Elevator Inc.	Bill Pmt -Check	11/02/2007	3403	Elevator Repair			-10,000.00	
Rotavale Elevator Inc.	Bill Pmt -Check	12/13/2007	3611	Elevator Repair			-10,000.00	
Rotavale Elevator Inc.	Bill Pmt -Check	02/08/2008	3775	Elevator Repair			-750.00	
Rotavale Elevator Inc.	Accounts Payable			Accounts Payable				-23,097.00
Sentinel Fire Control, Inc.	Bill Pmt -Check	06/14/2007	2772					
Sentinel Fire Control, Inc.	Bill Pmt -Check	10/01/2007	3227				-1,000.00	
Sentinel Fire Control, Inc.	Bill Pmt -Check	11/27/2007	3548				-4,000.00	
							-4,985.00	
Seyfarth Shaw	Check	03/20/2006	R-1543	Legal Fees	-15,094.00			
Seyfarth Shaw	Check	08/10/2006	1023	1220947/1229895/1252773	-24,965.50			
Seyfarth Shaw	Check	10/10/2006	R-xxx		-7,915.00			
Seyfarth Shaw	Check	10/10/2006	1111		-21,516.64			
Seyfarth Shaw	Check	12/28/2006	1305		-10,000.00			
Seyfarth Shaw	Check	01/04/2007	2147	Invoice #1289260 remaining balance	-3,411.00			
Seyfarth Shaw	Check	05/16/2007	2647				-50,000.00	
Seyfarth Shaw	Check	05/21/2007	2667				-25,000.00	
Seyfarth Shaw	Check	06/15/2007	2779				-91,000.00	
Seyfarth Shaw	Check	08/09/2007	2997	August payment			-10,000.00	
Seyfarth Shaw	Check	08/30/2007	3075				-10,000.00	
Seyfarth Shaw	Check	10/02/2007	3229	October Payment			-10,000.00	
Seyfarth Shaw	Bill Pmt -Check	11/09/2007	3459				-10,000.00	
Seyfarth Shaw	Bill Pmt -Check	11/16/2007	3518				-10,000.00	
Seyfarth Shaw	Bill Pmt -Check	11/21/2007	3539				-10,000.00	
Seyfarth Shaw	Bill Pmt -Check	12/07/2007	3584				-5,000.00	
Seyfarth Shaw	Bill Pmt -Check	12/14/2007	3614				-15,000.00	
Seyfarth Shaw	Bill Pmt -Check	02/08/2008	3776				-2,500.00	
Seyfarth Shaw	Accounts Payable			Accounts Payable	-72,296.42			-84,163.53
Seyfarth Shaw	Accounts Payable			Accounts Payable				
Specialized Services Inc.	Check	02/13/2007	2218	Window Cleaning	-894.09			
Stark Carpet Corp	Check	10/31/2006	1304					
Stark Carpet Corp	Bill Pmt -Check	05/10/2007	2615				-51,553.14	
Stark Carpet Corp	Check	08/21/2007	3043	Arcade Carpet Full Payment	-15,146.00		-10,707.00	
Stark Carpet Corp	Bill Pmt -Check	09/04/2007	3094				-17,618.86	
Stark Carpet Corp	Accounts Payable			Accounts Payable				-2,392.84
Structural Contracting Services, Inc.	Bill Pmt -Check	04/20/2007	2563	Deposit: Concrete				
Structural Contracting Services, Inc.	Bill Pmt -Check	07/13/2007	2908	Deposit: Concrete				
Structural Contracting Services, Inc.	Bill Pmt -Check	09/21/2007	3164				-10,000.00	
Structural Contracting Services, Inc.	Bill Pmt -Check	09/28/2007	3199	Deposit: Concrete			-4,000.00	
Structural Contracting Services, Inc.	Bill Pmt -Check	10/12/2007	3247				-2,000.00	

	Type	Date	Num	Memo	Payments 2/8/06 - 3/26/07	Payments as of 3/26/07	Payments 3/27/07-4/28/07	Payments 4/29/07 to date	Accounts Payable as of 2/14/08
Structural Contracting Services, Inc.	Bill Pmt -Check	10/12/2007	3291	Deposit: Conrete				-2,000.00	
Structural Contracting Services, Inc.	Bill Pmt -Check	10/19/2007	3330	Deposit: Conrete				-2,000.00	
Structural Contracting Services, Inc.	Bill Pmt -Check	11/02/2007	3419	Deposit: Conrete				-2,000.00	
Structural Contracting Services, Inc.	Bill Pmt -Check	11/09/2007	3453	Deposit: Conrete				-640.00	
Supertouch Contracting Corp.	Check	10/26/2006	2035	Deposit 10/26	-2,000.00	-2,000.00			
Supertouch Contracting Corp.	Check	12/07/2006	2098	Completed Project	-4,000.00	-4,000.00			
Tassone Equipment Corp	Bill Pmt -Check	12/04/2007	3562		-1,622.00	-1,622.00			
The Hegner Studio, LLC	Bill Pmt -Check	09/19/2007	3151	Construction:Drapery/Fabrics				-5,000.00	
The Hegner Studio, LLC	Bill Pmt -Check	11/14/2007	3481	Construction:Drapery/Fabrics				-8,150.00	
The Hegner Studio, LLC	Bill Pmt -Check	02/08/2008	3780	Construction:Drapery/Fabrics				-250.00	
Thomas Jayne Studio, Inc.	Check	09/15/2006	1077	50% Design Fee	-12,500.00	-12,500.00			-55.95
Thomas Jayne Studio, Inc.	Accounts Payable			Accounts Payable					
Universal Steel	Check	10/11/2006	1120	Deposit for Proposal 2746	-6,500.00	-6,500.00			
Universal Steel	Check	11/13/2006	2053	Invoice #6921	-14,450.00	-14,450.00			
Universal Steel	Check	11/29/2006	2088	Invoice #1152	-8,200.00	-8,200.00			
Universal Steel	Check	01/05/2007	2156	Invoice #6934	-12,000.00	-12,000.00			
Universal Steel	Check	01/25/2007	2178	Invoice #6943	-20,800.00	-20,800.00			
Universal Steel	Check	03/02/2007	2245		-7,000.00	-7,000.00			
Universal Steel	Check	05/17/2007	2652					-2,500.00	

-55.95